

**SWASTI VINAYAKA ART AND  
HERITAGE CORPORATION LIMITED**

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**32ND ANNUAL REPORT 2017 - 18**

**BOARD OF DIRECTORS :****Dinesh Poddar**

Chairman &amp; Managing Director

**Ramprasad Poddar****Rajesh Poddar****Shilpa Poddar****Sanjiv Rungta****Rakesh Garodia**

Directors

**● REGISTERED OFFICE:****SWASTI VINAYAKA ART AND HERITAGE CORPORATION LTD.****CIN: L51900MH1985PLC036536**

303, Tantia Jogani Industrial Estate,

J. R. Boricha Marg, Lower Parel,

Mumbai - 400 011.

Tel : 022 4344 3555

Fax: 022 2307 1511

E-Mail : svartinvestors@svgcl.com

Website : www.svartcorp.in

**● BANKERS:**

HDFC Bank Limited

**● AUDITORS:**

Sanjay Raja Jain &amp; Co.

Chartered Accountants

**● SECRETARIAL AUDITORS:**

M/s. Sandeep Dar and Co.

Company Secretaries

**● 32ND ANNUAL GENERAL MEETING :****Date** : September 28, 2018**Time** : 11:30 a.m.**Venue** : Bombay YMCA, 12,  
Nathalal Parekh Marg, Colaba,  
Mumbai - 400 001.**● REGISTRAR AND TRANSFER AGENT:**Bigshare Services Private Limited  
1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri (East) Mumbai 400059.  
Tel. No: 022 - 62638200  
Fax. No.: 022 - 62638299  
E-mail : investor@bigshareonline.com  
Website: www.bigshareonline.com**SWASTI VINAYAKA ART AND  
HERITAGE CORPORATION LIMITED****● 32nd Annual Report 2017 - 18 ●****CONTENTS**

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# SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

32nd Annual Report 2017-18

## NOTICE

**NOTICE** is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Company will be held on Friday, 28 September, 2018 at 11:30 a.m. at Bombay YMCA, 12, Nathalal Parekh Marg, Colaba, Mumbai - 400 001 to transact the following business:-

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2018 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 on equity shares for the Financial Year 2017-2018.
3. To appoint a Director in place of Mr. Ramprasad Poddar (DIN-00163950), who retires by rotation and being eligible, offers herself for reappointment.
4. To Appoint Auditors and Fix their Remuneration

**"RESOLVED THAT** pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made there under, M/s. S. P. Jain & Associates, Chartered Accountants, Mumbai with Firm Registration Number 103969W be and are hereby appointed as Statutory Auditors of the Company for the term of five consecutive years to hold office from the conclusion of Annual General Meeting (AGM) to be held in the year 2018 till the conclusion of the Annual General Meeting of the Company to be held in the year 2023, on the remuneration as may be agreed upon by the Board of Directors and the Auditors.

### SPECIAL BUSINESS

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

**"RESOLVED THAT** pursuant to section 196, 197 and 203 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mrs. Shilpa Poddar (DIN: 00164141) be and is hereby appointed as Whole Time Director of the Company for the period of five years w.e.f. November 15, 2017, on such terms and conditions as set out in the explanatory statement annexed herewith and contained in an agreement to be entered between the Company and Mrs. Shilpa Poddar, a draft whereof is placed before the meeting and initialed by the Chairman for the purpose of identification hereof.

**RESOLVED FURTHER THAT** Mrs. Shilpa Poddar subject to the provisions of Section 152 of the Companies Act, 2013 shall not be liable to retire by rotation during her tenure as Managing Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, desirable or expedient for the purpose of giving effect to this Resolution."

**Registered Office:**  
303, Tantia Jogani Industrial Estate,  
J. R. Boricha Marg, Lower Parel,  
Mumbai – 400011.

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

**Dinesh Poddar  
Chairman and Managing Director  
DIN:00164182**

Date: May 25, 2018  
Place: Mumbai

### 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/HERSELF 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.**

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. 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 shareholder.

2. The register of members and share transfer books will remain closed from Saturday, 22nd September, 2018 to Friday, 28th September, 2018. (Both days inclusive).
3. Dividend, after declaration, shall be disbursed to the members:-
  - a) Whose name appears as beneficial owners as at the end of business hours on Friday, 21st September, 2018 as per the list to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form.
  - b) Whose names appear 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 September 21, 2018.
4. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10 days before the Meeting so that the information is made available by the management at the day of the Meeting.
5. Shareholders holding shares in physical form are requested to intimate any change in their residential address to Registrar & Transfer agent, Bigshare Services Private Limited at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East) Mumbai 400059 Registrars and transfer agent of the Company immediately.
6. Shareholders who are holding shares in demat mode are requested to notify any change in their residential address, bank A/c details and/ or email address immediately to their respective Depository Participants.
7. The government took a 'green initiative in corporate governance' in 2011 by allowing the Companies to service the documents to its shareholders through electronic mode. Accordingly, the Company sends all communication including the notice along with annual report in electronic form to all shareholders whose email ID's are registered with the Company/depository participant(s) unless a specific request for hard copy has been requested.
8. Shareholders are requested to update their email ID's by downloading the form which is available at the website of the Company i.e. [www.svartcorp.in](http://www.svartcorp.in) and submit the same at the registered office of the Company for receiving the notices and other documents at their email addresses.
9. The Company has appointed M/s. Sandeep Dar & Co., Practicing Company Secretaries, Navi Mumbai, to act as the scrutinizer, to scrutinize the remote e-voting and physical votes received through ballot in accordance with the law in a fair and transparent manner.
10. In accordance with Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; our Company is exempted from compliance with the Corporate Governance provisions and hence the Corporate Governance Report is not required to be attached with this Annual Report.

### 11. VOTING OPTIONS:

#### I. Voting through electronic means

The Company is pleased to offer remote e-voting facility, for all its members to enable them to cast their vote electronically in term of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Facility for voting, through ballot/polling paper will be made available at the venue of the AGM. The

members attending the meeting, who have not cast their vote through remote e-voting shall be able to exercise their voting rights through ballot papers at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

**The instructions for members for voting electronically are as under:-**

- (i) The voting period begins on Tuesday, September 25, 2018 at 09.00 a.m. and ends on Thursday, September 27, 2018 at 5.00 p.m. Members holding Shares in physical or in demat form as on cut off date i.e. Friday, September 21, 2018 shall only be eligible for e-voting.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both Demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach to the 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED on which you choose to vote.

- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app, 'CDSL m-Voting' available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non-individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

**In case of members receiving the physical copy:**

Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.

**II. Voting Through Ballot:**

The Company is also providing the facility for voting through Ballot process at the AGM and the members attending the Meeting who have not cast their vote by remote e-voting will be able to exercise their right to vote at the AGM. The Ballot Forms will be available at the AGM.

**III. Other Instructions**

- i. A Member can opt for only one mode of voting i.e. either through e-voting or ballot. If a Member casts his / her vote by both modes, then voting done through e-voting shall prevail and the vote by ballot shall be treated as invalid.
12. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit

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PAN details to the Depository Participants with whom they have demat accounts.

Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, M/s. Bigshare Services Private Limited, quoting their folio numbers.

### EXPLANATORY STATEMENT

As required by Section 102 of the Companies Act, 2013, the following Explanatory Statement sets out all the material facts relating to the business mentioned below:

#### ITEM NO 5:

Mrs. Shilpa Poddar was appointed as Whole Time Director by the Board of Directors for a tenure of five years w.e.f. November 15, 2017. In accordance with the provisions of Companies Act, 2013, the appointment of Mrs. Shilpa Poddar as Whole Time Director of the Company requires shareholders' approval by passing Ordinary Resolution and her remuneration is within the limit prescribed in Section 197 of the Companies Act, 2013.

The appointment of Mrs. Shilpa Poddar as Whole Time Director of the Company requires shareholders' approval by passing Ordinary Resolution and her remuneration is within the limit prescribed in Schedule V of the Companies Act, 2013. The following information is required to be disclosed in accordance with Schedule V:

The following information is required to be disclosed in accordance with Schedule V:

#### I. GENERAL INFORMATION:

- (a) Nature of Industry: Gems and Jewellery, Real Estate.
- (b) Date of commencement of commercial production: June 12, 1985.
- (c) Export performance: During the previous year Company earned total foreign exchange of Rs. Not Applicable.
- (d) Foreign investments or collaborations: Not Applicable.

#### II. INFORMATION ABOUT THE APPOINTEE:

- (a) Background details:  
Mrs. Shilpa Poddar, 49 years old is having B.com educational qualification and having more than 23 years of business experience.
- (b) Past remuneration: nil
- (c) Job profile and his suitability:  
The Whole Time Director would have the authority to oversee and implement the day-to-day operations of the Company. Whole Time Director will also be responsible for formulating the policies and strategies in consent with the Board of Directors of the Company. The Whole Time Director has clear vision and foresight to work for the prosperity and success of the company. The Whole Time Director has immense capacity for hard work, interpersonal skills, extraordinary ability for analytical thinking and positive attitude.
- (d) Remuneration proposed:
  - (i) Salary: Rs. 100000-25000-200000 per Month
  - (ii) Perquisites and Allowances-
    - (a) In addition to the salary, the Whole Time Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, together- with reimbursement of expenses or allowances for utilities such as gas, electricity, water furnishing and repairs; medical reimbursement, club fees and leave travel concession for herself and her family, medical insurance and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors and the Whole Time Director. Such perquisites and allowances will be subject to the ceilings as specified in Part II of Schedule V.

- (b) For the purpose of calculating the above ceiling, perquisites and allowances shall be evaluated as per Income-tax Rules, wherever applicable; in the absence of any such Rules, perquisites and allowances shall be evaluated at actual cost. Provision for use of the Company's car for official duties and telephone at residence (including payment for local calls and long distance official calls) shall not be included in the computation of perquisites for the purpose of calculating the said ceiling.
  - (c) Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income Tax Act, gratuity payable as per the rules of the Company and encashment of leave at the end of the tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.
  - (d) The total remuneration including salary, perquisites, allowances (other than exempted perquisites and allowance) and other monetary benefits shall not exceed the maximum ceiling of Rs. 3,00,000/- per month.
- (iii) Minimum Remuneration:  
Notwithstanding anything to the contrary herein contained: Where in any financial year during the tenure of the Whole Time Director, the Company has no profits or its profits are inadequate, the Company will pay remuneration in accordance with Part II of Schedule V.
- (iv) General Terms & Conditions:
  - (a) The terms and conditions of the said appointment and/or agreements may be altered and varied from time to time by the Board as it may, in its discretion, deem fit within the maximum amount payable to the Whole Time Director in accordance with Schedule V to the Act or any amendments made hereafter in this regard.
  - (b) The appointment may be terminated by either party giving the other party six months notice, or the Company paying six months salary in lieu of the notice.
  - (c) If at any time the Whole Time Director ceases to be a Director of the Company for any cause whatsoever, she shall cease to be the Whole Time Director of the Company.

#### III. OTHER INFORMATION:

- a) Reasons for loss or inadequate profits: The company has made profits during the current financial year. However the profits are inadequate to pay desired remuneration to the appointee. In accordance with the provisions of Section 197 of the Act, the terms of remuneration specified above are now being placed before the Members in General Meeting for their approval. The draft Agreement between the Company and Mrs. Shilpa Poddar is available for inspection by the members of the Company at the Registered Office of the Company between 11:00 a.m. and 01:00 p.m. on any working day till the Annual General Meeting of the Company. Your directors recommend passing of the ordinary resolution. None of the directors except directors except Mr. Ramprasad Poddar, Mr. Dinesh Poddar, Mr. Rajesh Poddar and Mrs. Shilpa Poddar are interested in the passing of the said resolution.

**Registered Office:**  
303, Tantia Jogani Industrial Estate,  
J. R. Boricha Marg, Lower Parel,  
Mumbai – 400011.

Date: May 25, 2018  
Place: Mumbai

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

**Dinesh Poddar**  
Chairman and Managing Director  
DIN:00164182



## DIRECTORS' REPORT

To,  
The Members,

Your Directors have pleasure in presenting their 32nd Annual Report on the business and operations of the Company and Audited Statement of Accounts for the year ended 31st March, 2018.

### 1. FINANCIAL HIGHLIGHTS:

The Board's Report is prepared based on the stand alone financial statements of the Company.

(₹ in Lacs)

Sr. No.	Particulars	2017-2018	2016-2017
1.	<b>Net Sales/ Income</b>	<b>974.61</b>	883.84
2.	Total Expenditure		
	l) Cost of material consumed	2.84	1.71
	ii) Purchase of stock	30.84	46.48
	iii) Manufacturing and operating cost	38.48	47.66
	iv) Changes in inventories	(21.63)	(171.79)
	v) Employee benefit Expenses	191.10	161.71
	vi) Financial cost	71.27	80.07
	vii) Depreciation	30.49	30.60
	viii) Other Expenditure	282.70	277.69
	Total	626.09	474.13
3.	<b>Profit Before Tax</b>	<b>348.52</b>	409.71
4.	Provision for taxation		
	i) Current Tax	100.89	154.66
	ii) Deferred Tax	4.54	(1.59)
5.	<b>Profit After Tax</b>	<b>243.09</b>	256.64
6.	Balance carried from previous year	145.84	75.94
7.	Amount Available for Appropriation	388.93	332.58
8.	<b>Appropriations:</b>		
	Proposed Dividend	80.00	80.00
	Dividend Distribution Tax	16.74	16.74
	Transferred to General Reserve	100.00	90.00
9.	<b>Balance carried to Balance Sheet</b>	<b>192.19</b>	145.84

### 2. DIVIDEND:

We are pleased to inform that the Board of Directors has recommended dividend of Re. 0.20 per equity share of Re. 1/- each (i.e. 20 % of face value) aggregating Rs. 80,00,000 (excluding dividend distribution tax as applicable) for the year ended on 31st March, 2018.

### 3. OPERATIONS:

During the period under review the profit after tax (PAT) stood at 243.09 Lakhs (Previous Year Rs. 256.64 Lakhs), there was an decrease of 5.28 % as compared to last financial year. Your Directors are confident of even better returns in the future.

### 4. RESERVES:

The Board of Directors has transferred Rs. 100 Lakhs to General Reserve.

### 5. DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors state that-

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- 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;

- the Directors had prepared the annual accounts on a going concern basis;
- the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 6. DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTMENTS/ RESIGNATIONS DURING THE YEAR:

The following change took place during the financial year 2016-17 under review:

Name of the Person	Designation	Date of change	Nature of Change Appointment/ Resignation
Shilpa Poddar	Whole-time Director	November 15, 2017	Appointment

### 7. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Report in form MGT-9, as required under Section 92(3) of the Companies Act, 2013 read with rule 12(1) of the Companies (Management and Administration) Rules, 2014, are included in this Report as Annexure-I and forms an integral part of this report.

### 8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is disclosed in Form No. AOC-2 which is enclosed as Annexure II.

### 9. PARTICULARS OF EMPLOYEES:

- The information required pursuant to Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure III to the Directors Report.
- Particulars of employees drawing remuneration in excess of limits prescribed under Section 134 (3)(q) read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

There are no employees drawing remuneration exceeding Rupees One Crore and Two Lakhs per annum if employed throughout the financial year or rupees Eight Lakhs and Fifty Thousand per month if employed for part of the financial year or draws remuneration in excess of Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

### 10. NUMBER OF MEETINGS OF BOARD:

Sr.No	Particulars	No. of meetings held
1.	Board Meetings	Six
2.	Audit Committee Meetings	Four
3.	Independent Directors Meeting	One
4.	Nomination and Remuneration Committee Meeting	One

### 11. FORMAL ANNUAL EVALUATION:

Pursuant to the provision of Section 134 (3) (p) of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration and Stakeholders Relationship Committees. A structured questionnaire was prepared after

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taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board cultures, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

### 12. DECLARATION BY INDEPENDENT DIRECTORS:

Declarations by the Independent Directors that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has been received by the Company.

### 13. REMUNERATION POLICY:

The Board of Directors has framed a policy which lays down a framework in relation to remuneration of directors, Key Managerial Personnel and Senior Management of the Company. The said policy is also uploaded on the website of the Company; i.e. www.svartcorp.in.

### 14. AUDITORS:

The tenure of M/s. Sanjay Raja Jain & Co., Chartered Accountants, (FRN 120132W), Mumbai, has come to an end as they have completed Ten Years and hence they will retire at the ensuing AGM to be held on September 28, 2018.

The Board of Directors has recommended the Appointment of M/s. S. P. Jain & Associates, Chartered Accountants, Mumbai with Firm Registration Number 103969W as Statutory Auditors of the Company to hold Office from conclusion of AGM in 2018 to conclusion of AGM in 2023 at such remuneration as may be agreed by Board of Directors and Auditors.

The report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

### 15. SECRETARIAL AUDIT REPORT:

In terms of Section 204 of the Companies Act, 2013 and Rules made thereunder, M/s. Sandeep Dar and Co., Practicing Company Secretaries have been appointed as Secretarial Auditor of the Company. The report of the Secretarial Auditors is enclosed as Annexure IV to this report. The report is self-explanatory however the Company has initiated necessary steps to comply with various non-compliances as per the provisions of various statute mentioned under the secretarial audit report.

### 16. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy to report genuine concerns or grievances. The Whistle Blower Policy has been posted on the website of the Company www.svartcorp.in

### 17. COMPOSITION OF AUDIT COMMITTEE:

Composition of Audit Committee is required under section 177 (8) of the Companies Act, 2013.

The Composition of Audit Committee is as follows:

1. Mr. Rakesh Garodia - Chairman
2. Mr. Rajesh Poddar - Member
3. Mr. Sanjiv Rungta - Member

### 18. SIGNIFICANT MATERIAL CHANGES:

There were no material changes and commitments, which adversely affects the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

### 19. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Board of your Company has laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively.

### 20. RISK MANAGEMENT

The Company is periodically reviewing its risk management perception taking into account overall business environment affecting/ threatening the existence of the Company. Presently, board is of the opinion that such existence of risk is minimal.

### 21. DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 of Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

### 22. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

During the year under review, the Company have neither given any loans nor provided any guarantees which are governed by the provisions of Section 186 of the Companies Act, 2013. However, the Company has made investments, the details of which are given below:

Sr. No.	Particulars	Face Value (Rs.)	No. of Shares	Amount (Rs.)
1.	Agro Tech Foods Limited	10	50	37176
2.	Avanti Feeds Limited	2	30	80146
3.	Avenue Supermarts Limited	10	100	115520
4.	Bajaj Auto Limited	10	10	33577
5.	Biocon Limited	5	50	27011
6.	Brigade Enterprises Limited	10	250	72888
7.	Century Plyboards India Limited	1	125	39827
8.	CI Educate Limited	10	100	32449
9.	Ferro Alloys Corp. Limited	1	1800	25632
10.	Gati Limited	2	250	35444
11.	Godrej Agrovet Limited	10	200	107960
12.	Greenply Industries Limited	1	100	33868
13.	HDFC Standard Life Insurance Company Limited	10	300	112193
14.	Hindalco Industries Limited	1	2200	418285
15.	India Glycols Limited	10	100	39554
16.	Nilkamal Limited	10	20	33948
17.	Peninsula Land Limited	2	3000	86747
18.	Pilani Investment And Industries Corporation Limited	10	60	178363
19.	Puravankara Limited	5	400	38207
20.	Schaeffler India Limited	10	10	52054
21.	Suven Life Sciences Limited	1	250	50724
22.	Tata Power Co. Limited	1	5000	403806
23.	Tata Steel Limited	10	1204	592309
24.	Tata Steel Limited [Partly Paidup]	2.50	152	23408
25.	TV18 Broadcast Limited	2	500	31037
26.	Ultratech Cement Limited	10	100	416934
27.	Waterbase Limited	10	500	83497
	<b>Total</b>			<b>3201664</b>

### 23. MANAGEMENT DISCUSSION AND ANALYSIS:

#### I. INDUSTRY STRUCTURE AND DEVELOPMENTS

#### GEMSTONE CARVINGS, SIGNIO PAINTINGS AND COUTURE JEWELLERY:

Indian Gems & Jewellery (G&J) industry has acquired prominence over the years in the country, given its dual utility of improving aesthetics as well as investment. Today, India is the largest consumer of gold as well

as the largest player in diamond cutting and polishing. A major chunk of gold jewellery manufactured in India is for domestic consumption, whereas a major portion of polished diamonds or finished diamond jewellery is exported. In the coming years, growth in Gems and Jewellery sector would be largely contributed by the development of large retailers/brands. Established brands are guiding the organised market and are opening opportunities to grow. Increasing penetration of organised players provides variety in terms of products and designs. Online sales are expected to account for 1-2 per cent of the fine jewellery segment by 2021-22.

As far as S.V.Art is concerned the initiatives taken in the area of corporate gifting have started paying rich dividends. This segment is likely to contribute tremendously in the years to come. We have developed certain products exclusively for the US and UK market. We procure very rare and expensive rough gemstones and then get highly detailed carving done to create a truly unique and collectible carving. Such gemstone carvings are very much in demand in the US and UK markets and give us a healthy margin to work with. With these initiatives we are confident that this growth in exports will continue for the coming years. With the Indian economy poised for growth we are confident of delivering better results in the future and feel that our loyal customers and new collectors will keep giving us continuous business.

### REAL ESTATE:

The challenges faced by the real estate sector are primarily due to poor economic sentiment, high borrowing cost and a slow income growth, for industry and consumer alike. However, we are able to witness the beginnings of a revival in the commercial real estate market. With the new government continuing their initiatives to support the corporate activity in the country, there is a general and upbeat sentiment that we could be in the midst of a revival in the commercial real estate sector. Therefore, we remain optimistic of good occupancy rates for our premises.

## II. OPPORTUNITIES AND THREATS

### Opportunities:

There exists a huge opportunity for Indian players to do value addition to the low cost jewellery items and can export such jewellery. India has an advantage of manufacturing affordable jewellery for the world market. The Indian retail sector provides an excellent opportunity for the Indian players to manufacture and sell their jewellery through the retail channels that are fast catching up in the Indian markets.

### Threats:

Jewellery shopping can be an emotional experience, and existing brands in the industry have learned to build deep and lasting connections with loyal customers by leveraging these emotional experiences to create strong bonds. This unique aspect of customer loyalty in the industry can make it especially difficult for new retailers to compete. Jewellery retailers compete almost exclusively on quality, creating a framework for consumer psychology that can be difficult to break into. Existing retailers work hard to define their brand as the best or only option for buying jewellery gifts, again using emotional appeals, which can give new market entrants an image of lower quality by default because of their lower brand awareness.

## III. SEGMENT-WISE PERFORMANCE:

During the year under review, revenue from sale of products was Rs. 1,47,39,520/- and Revenue from sale of services was Rs. 8,24,97,354/-

## IV. OUTLOOK

The jewellery market will be highly dynamic, truly globalised and intensely competitive by 2020. Jewellery companies that can best anticipate and capitalize on industry-changing trends - particularly the five described above - will shine brighter. Segments will increasingly be defined by price points and brand positions, rather than purchase and wearing occasions. In light of this trend, fine jewellers may consider introducing new product lines at affordable prices to entice younger or

less affluent consumers, giving them an entry point into the brand. Alternatively, fine-jewellery players may decide to play exclusively in the high-end and communicate that message strongly through its advertising, in-store experience and customer service.

## V. RISKS AND CONCERNS

Jewellery retailers face the same infrastructure requirements as other retailers, including shelving, display cases, back-room warehouse storage and point-of-sale systems. However, jewellery retailers require advanced security systems to protect their high-value inventory. The amount of security required of a retail jewellery store can incur the largest infrastructure expense, after the cost of cameras, safes and electronic monitoring for doors and windows are taken into account. Even with advanced security, the risk of loss from theft can be a significant deterrent to entering the industry. Jewellery retailers should always carry adequate insurance policies to cover significant loss, but the cost of such policies can be another barrier to entry.

## VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control system, commensurate with the size of its operations. Adequate records and documents are maintained as required by laws. All efforts are being made to make the internal control systems more effective.

## 24. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace as required under the Act.

The following is a summary of sexual harassment complaint received or disposed off during the year 2017-18.

- No. of Complaint received: NIL
- No. of Complaint disposed off: NIL

## 25. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

In the view of the nature of the Company, Rule 8 of Company (Accounts) Rules, 2014 concerning conservation of energy and technology absorption respectively are not applicable to the Company.

### FOREIGN EXCHANGE EARNINGS AND OUTGO:

Sr. No.	Particulars	2017-18 (Rs. In Lakhs)	2016-17 (Rs. In Lakhs)
1.	Foreign Exchange Earned	29.39	35.18
2.	Foreign Exchange Used	56.04	49.49

## 26. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

No significant or material orders were passed by the regulators or courts or Tribunals which impact the going concern status and Company's operations in future.

## 27. ACKNOWLEDGEMENT:

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 and confidence reposed in the management.

### Registered Office:

303, Tantia Jogani Industrial Estate,  
J. R. Boricha Marg, Lower Parel,  
Mumbai – 400011.

Date: May 25, 2018  
Place: Mumbai

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

**Dinesh Poddar**  
Chairman and Managing Director  
DIN:00164182



# SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

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## ANNEXURE I Form No. MGT-9 EXTRACT OF ANNUAL RETURN

**As on the financial year ended on March 31, 2018**

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS:

CIN	L51900MH1985PLC036536
Registration Date	10/06/1985
Name of the Company	Swasti Vinayaka Art And Heritage Corporation Limited
Category / Sub-Category of the Company	Company limited by shares
Address of the Registered office and contact details	303, Tantia Jogani Industrial Estate, J. R. Boricha Marg, Lower Parel, Mumbai-400011
Whether listed Company	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400 059 Contact No: +91 22 62638200 Email Id: investor@bigshareonline.com

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

Sr. No.	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1.	Compensation/ Renting of Immovable Property	681	84.84
2.	Jewellery / Carvings / Gemstone / Diamonds	321	15.16

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

There are no Holding, Subsidiary and Associate Companies.

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

#### (i) Category-wise Share Holding:

Category of Shareholder	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total No. of Shares	% of Total Shares	Demat	Physical	Total No. of Shares	% of Total Shares	
<b>(A) Promoter</b>									
1. Indian									
a) Individual / HUF	20400000	-	20400000	51.00	20400000	-	20400000	51.00	-
b) Bodies Corporate	-	-	-	-	-	-	-	-	-
Sub Total (A)(1) :	20400000	-	20400000	51.00	20400000	-	20400000	51.00	-
Foreign (A) (2)	-	-	-	-	-	-	-	-	-
(A)=(A)(1) + (A)(2)	20400000	-	20400000	51.00	20400000	-	20400000	51.00	-
<b>(B) Public shareholding</b>									
1. Institutions (B) (1)	-	-	-	-	-	-	-	-	-
2. Non-institutions									
a) Bodies Corporate									
(i) Indian	1874508	-	1874508	4.69	781842	-	781842	1.95	(2.74)
b) Individual									
(i) Capital upto to Rs. 1 Lakh	13669723	227383	13897106	34.74	14030780	227383	14258163	35.65	0.91
(ii) Capital excess of Rs. 1 Lakh	3213894	-	3213894	8.03	2204038	-	2204038	5.51	(2.52)
c) Any others (Specify)									
(i) Clearing member	306827	-	306827	0.77	47327	-	47327	0.12	(0.65)
(ii) Non Resident Indians	307665	-	307665	0.77	2308630	-	2308630	5.77	5.00
SUB TOTAL (B)(2) :	19372617	227383	19600000	49.00	19372617	227383	19600000	49.00	-
Total Public Shareholding (B)=(B)1 + (B)(2)	19372617	227383	19600000	49.00	19372617	227383	19600000	49.00	-
Total(A) + (B)	39772617	227383	40000000	100.00	39772617	227383	40000000	100.00	-
<b>(C) Shares held by Custodians for (GDRs &amp; ADRs)</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A) + (B) + (C)</b>	<b>39772617</b>	<b>227383</b>	<b>40000000</b>	<b>100.00</b>	<b>39772617</b>	<b>227383</b>	<b>40000000</b>	<b>100.00</b>	<b>-</b>

# SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

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## (ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	ARYAN RAJESH PODDAR	459550	1.15	-	459550	1.15	-	-
2	DINESH PODDAR	2915000	7.29	-	2915000	7.29	-	-
3	DINESH PODDAR HUF	1541000	3.85	-	1956000	4.89	-	1.04
4	DINESH RAJESH AND BROS.HUF	2612400	6.53	-	-	-	-	(6.53)
5	NUPUR PODDAR	20000	0.05	-	20000	0.05	-	-
6	PRABHAT PODDAR	245500	0.61	-	245500	0.61	-	-
7	PUSHPADEVI PODDAR	2135900	5.34	-	2135900	5.34	-	-
8	RAJESH PODDAR	2970000	7.43	-	2970000	7.43	-	-
9	RAJESH PODDAR HUF	1226900	3.07	-	1641900	4.10	-	1.03
10	RAMPRASAD PODDAR	2900650	7.25	-	4683050	11.71	-	4.46
11	RAMPRASAD PODDAR & SON.HUF	2761750	6.90	-	2761750	6.90	-	-
12	RHEA PODDAR	553300	1.38	-	553300	1.38	-	-
13	SHILPA PODDAR	21000	0.05	-	21000	0.05	-	-
14	VEDAANT RAJESH PODDAR	37050	0.09	-	37050	0.09	-	-
		<b>20400000</b>	<b>51.00</b>	<b>-</b>	<b>20400000</b>	<b>51.00</b>	<b>-</b>	<b>-</b>

## (iii) Change in Promoters' Shareholding: (please specify, if there is no change)

Sr. No.	Particulars	Shareholding at the beginning of the year		Transaction Details			Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	Date	Purchase	Sale	No. of shares	% of total shares of the Company
	At the beginning of the year	20400000	51.00				20400000	51.00
1	RAMPRASAD PODDAR	2900650	7.25	01/04/2017	-	-	-	-
				14/07/2017	1782400	-	4683050	11.71
				31/03/2018	-	-	4683050	11.71
2	PUSHPADEVI PODDAR	2135900	5.34	01/04/2017				
				31/03/2018			2135900	5.34
3	RAJESH PODDAR	2970000	7.43	01/04/2017				
				31/03/2018			2970000	7.43
4	DINESH PODDAR	2915000	7.29	01/04/2017				
				31/03/2018	-	-	2915000	7.29
5	DINESH RAMPRASAD PODDAR-HUF	1541000	3.85	01/04/2017				
				14/07/2017	415000	-	1956000	4.89
				31/03/2018			1956000	4.89
6	RHEA DINESH PODDAR	553300	1.38	01/04/2017				
				31/03/2018	-	-	553300	1.38
7	ARYAN RAJESH PODDAR	459550	1.15	01/04/2017				
				31/03/2018	-	-	459550	1.15
8	PRABHAT PODDAR	245500	0.61	01/04/2017				
				31/03/2018	-	-	245500	0.61
9	VEDAANT RAJESH PODDAR	37050	0.09	01/04/2017				
				31/03/2018	-	-	37050	0.09
10	RAMPRASAD PODDAR & SONS HUF	2,761,750	6.90	01/04/2017				
				31/03/2018			2,761,750	6.90
11	DINESH RAJESH AND BROS.HUF	2612400	6.53	14/07/2017	-	2612400	-	-
				31/03/2018	-	-	-	-
12	RAJESH RAMPRASAD PODDAR HUF	1226900	3.07	01/04/2017				
				14/07/2017	415000	-	1641900	4.10
				31/03/2018	-	-	1641900	4.10
13	SHILPA D PODDAR	21000	0.05	01/04/2017				
				31/03/2018			21000	0.05
14	NUPUR R PODDAR	20000	0.05	01/04/2017				
				31/03/2018	-	-	20000	0.05
	At the End of the year	20400000	51.00				20400000	51.00

# SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

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**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)**

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year		Bought during the year	Sold during the year	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company			No. of shares	% of total Shares of the Company
1	Kanai Banerjee	445170	1.11	162535	11450	596255	1.49
2	Dhruv Kanwar Singh	-	-	410000	-	410000	1.03
3	Jiten Kanwar Singh	-	-	400000	-	400000	1.00
4	Diva Kanwar Singh	-	-	400000	-	400000	1.00
5	Shambhu Lal Gupta HUF	221434	0.55	-	20000	201434	0.50
6	Jatin Bhupendra Chawda	15377	0.03	268644	83402	200619	0.50
7	Rachit Mukesh Panday	200000	0.50	-	-	200000	0.50
8	Pranali Commodities Pvt. Ltd	191660	0.48	-	-	191660	0.48
9	Rishu Garg	-	-	179287	-	179287	0.45
10	Vimal Kumar Didwania	169476	0.42	-	-	169476	0.42

**(v) Shareholding Pattern of Directors and Key Managerial Personnel**

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year		Bought during the year	Sold during the year	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company			No. of shares	% of total Shares of the Company
1	Ramprasad Poddar	2900650	7.25	1782400	-	4683050	11.71
2	Raiesh Poddar	2970000	7.43	-	-	2970000	7.43
3	Dinesh Poddar	2915000	7.29	-	-	2915000	7.29
4	Shilpa Poddar	21000	0.05	-	-	21000	0.05

**V. INDEBTEDNESS:**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount due	-	4,76,50,000	-	4,76,50,000
ii) Interest due but not paid	-	4,38,865	-	4,38,865
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	4,80,88,865	-	4,80,88,865
<b>Change in Indebtedness during the financial year</b>				
• Addition	5,14,00,000	29,50,000	-	5,43,50,000
• Reduction	(23,77,796)	(5,10,38,865)	-	(5,34,16,661)
<b>Net Change</b>	4,90,22,204	(4,80,88,865)	-	9,33,339
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	4,87,32,133	-	-	4,87,32,133
ii) Interest due but not paid	2,90,071	-	-	2,90,071
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	4,90,22,204	-	-	4,90,22,204

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Ramprasad Poddar	Dinesh Poddar	Shilpa Poddar	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	21,00,000	23,10,000	4,11,125	48,21,125
	(b) Value of perquisites u/s 17 (2) Income-tax Act, 1961	2,13,332	4,71,268	1,02,250	7,86,850
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others, specify...				
5.	Others, please specify	-	-	-	-
	<b>Total (A)</b>	<b>23,13,332</b>	<b>27,81,268</b>	<b>5,13,375</b>	<b>56,07,975</b>
	Ceiling as per the Act	84,00,000	84,00,000	84,00,000	2,52,00,000

**B. Remuneration to other Directors: NIL**

**C. Remuneration to key managerial personnel other than MD/MANAGER/WTD: NIL**

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties / punishment/ compounding of offences for breach of any provisions under the Companies Act against the Company or its Directors or other officers, if any, during the year.

**Annexure - II  
Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of contracts / arrangements / transactions	Salient features of contracts / arrangements / transactions, including value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
1.	MA Passion (India) Pvt. Ltd.	Purchase of Goods	One Time	7,90,000	03/05/2017	-
2.	Ashirwad Shelters Pvt. Ltd.	Sales of Goods	One Time	27,000	03/05/2017	-

**Annexure - III  
Remuneration details of Directors and employees**

- i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year: (₹ in Lacs)

Sr. No.	Directors Name	Remuneration FY 2017-18	Median Remuneration of employees FY 2017-18	Ratio
1.	Mr. Ramprasad Poddar	23.13	1.95	11.86:1
2.	Mr. Dinesh Poddar	27.81	1.95	14.26:1
3.	Mrs. Shilpa Poddar	5.13	1.95	2.63:1

- ii) The percentage increase in the remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year: (₹ in Lacs)

Sr. No.	Directors Name	Remuneration FY 2017-18	Remuneration FY 2016-17	% Increase
1.	Mr. Ramprasad Poddar	23.13	20.12	14.92
2.	Mr. Dinesh Poddar	27.81	23.12	20.29
3.	Mrs. Shilpa Poddar	5.13	-	-

- iii) The percentage increase in the median remuneration of employees in the financial year: (₹ in Lacs)

Median Remuneration of employees FY 2017-18	Median Remuneration of employees FY 2016-17	% Increase
1.95	1.95	-

- iv) The number of permanent employees on the rolls of Company: 42
- v) Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: (₹ in Lacs)

	FY 2017-18	FY 2016-17	% Increase
Employees Salary	109.10	94.12	15.91
Managerial Remuneration	50.94	43.25	17.79

The Company follows performance appraisal methodology where in performances of employees are linked to the key deliverables and key control areas of the Company.

- vi) Affirmation that the remuneration is as per the remuneration policy of the Company: It is affirmed that the remuneration is as per the remuneration policy of the Company.

**Annexure IV  
Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Swasti Vinayaka Art And Heritage Corporation Limited** CIN: L51900MH1985PLC036536 (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion there on.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 (hereinafter referred to as "Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - (h) The Securities and Exchange Board of India (Buyback of Securities)

Regulations, 1998;

- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) We have been informed by the Management that there are no other laws specifically applicable to the Company.

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. Company has appointed Managing Director as Key Managerial Personnel (KMP) under Section 203 (1) of the Companies Act, 2013. However, Compliances under Clause (ii) and (iii) of sub-section (1) of Section 203 is not complied with regard to the appointment of Company Secretary and Chief financial Officer.
2. As required under the provisions of section 138 of the Companies Act, 2013 Company has not made appointment of Internal Auditor in the Company.
3. As per Regulation 6(1) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, Company has not appointed a qualified Company Secretary as the Compliance Officer.
4. The Company has invested the funds during the year aggregating to Rs. 32.02 Lakhs. However, the Company has not filed Board resolutions with Registrar of Companies for investments as required under Section 117(3) of Companies Act, 2013.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the Meeting and for meaningful participation at the Meeting. Majority decision is carried through, while the dissenting members' views are captured and recorded as part of the minutes.

**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** during the audit period the Company has no specific events/ actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Sandeep Dar & Co.

Proprietor

FCS: 3159

C. P. No. 1571

Place: Navi Mumbai

Date: May 25, 2018



### INDEPENDENT AUDITORS' REPORT

TO  
THE MEMBERS OF SWASTI VINAYAKAART AND HERITAGE CORPORATION LIMITED

#### Report on the Indian Accounting Standards (Ind AS) Financial Statements

We have audited the accompanying financial statements of SWASTI VINAYAKAART & HERITAGE CORPORATION LIMITED (the "Company"), which comprises of the Balance Sheet as of March 31, 2018 and Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of Ind AS financial statements that give a true and fair view of the financial position, financial performance (including Other Comprehensive Income), Cash Flows and Changes in the equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015 (as amended) under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018 and its total comprehensive income (comprising of profit and other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (1) of section 143 of the Act, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet and the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2018.

For SANJAY RAJA JAIN & CO.  
Chartered Accountants  
FRN No. 120132W

SANJAY RAJA JAIN  
Partner  
M. No. 108513

Place : Mumbai  
Dated: 25th May, 2018

### ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements in our report of even date to the members of SWASTI VINAYAKAART AND HERITAGE CORPORATION LIMITED on the financial statement for the year ended on March 31, 2018, we report that:

- (i)
  - (a) The company has maintained proper record showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of one year. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The management has conducted physical verification in respect of finished goods, stores and raw materials at reasonable intervals, no material discrepancies have been noticed on physical verification of stocks as compared to book records.
- (iii) The Company The Company has granted unsecured loans to companies covered in the register maintained under Section 189 of the Act; and with respect to the same:
  - (a) In our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the interest of the company.
  - (b) The schedule of repayment of principal and interest has been stipulated and the repayments/receipts of the principal amount and the interest are regular.
  - (c) There is no overdue amount in respect of loans granted to such companies.
- (iv) In our opinion and according to the information and explanation give to us, the company has complied with section 185 and section 186 of the companies Act 2013 in respect of corporate guarantee given in connection with the loan taken by the others from bank or financial institutions and investment in other related party.

# SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

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- (v) The Company has not accepted any deposits from public in terms of the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Companies Act, 2013. We are informed that no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or Court or any other tribunal. Accordingly, the Company has complied with the provisions of section 73 to 76 of the Companies Act, 2013.
- (vi) Central Government has not prescribed/specified the maintenance of cost records under sub-section (l) of section 148 of the Companies Act, 2013, hence clause (vi) of Paragraph 3 is not applicable to the company.
- (vii) (a) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, GST and any other statutory dues with the appropriate authorities.  
(b) According to the information and explanations given to us, there are no dues of income-tax, service tax, GST which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- (ix) According to the information and explanations given to us, the company has not raised money by way of public issue/ follow-on offer (including debt instruments) and term loans have been applied for the purposes for which they were obtained.
- (x) According to the information and explanations given to us, no fraud by the company or any fraud on the Company by its officers/ employees was noticed or reported during the course of our audit
- (xi) According to the information and explanations given to us, the company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Companies Act.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi company; hence clause (xii) of Paragraph 3 is not applicable.
- (xiii) According to the information and explanations given to us, the company has complied with Section 188 and 177 of Companies Act, 2013 where applicable in respect of all transactions with the related parties and the details have been disclosed in the Financial Statements etc. as required by the accounting standards and Companies Act, 2013.
- (xiv) According to the information and explanations given to us, the company has not made preferential allotment / private placement of shares during the year under review and the requirement of Section 42 of the Companies Act, 2013 hence the clause (xiv) of Paragraph 3 is not applicable to the company.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions with directors or persons connected with him hence the clause (xv) of Paragraph 3 is not applicable to the company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934; hence the clause (xvi) of Paragraph 3 is not applicable to the company.

For **SANJAY RAJA JAIN & CO.**  
Chartered Accountants  
FRN No. 120132W

**SANJAY RAJA JAIN**  
Partner  
M. No. 108513

Place : Mumbai  
Dated: 25th May, 2018

## ANNEXURE –“B” TO THE INDEPENDENT AUDITORS’ REPORT

### Report on the Internal Financial Controls under Clause (f) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of M/s. SWASTI VINAYAKAART & HERITAGE CORPORATION LIMITED (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India

For **SANJAY RAJA JAIN & CO.**  
Chartered Accountants  
FRN No. 120132W

**SANJAY RAJA JAIN**  
Partner  
M. No. 108513

Place : Mumbai  
Dated: 25th May, 2018

**BALANCE SHEET AS AT 31ST MARCH, 2018**

(Amounts in ₹)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>I. ASSETS</b>				
<b>1 Non-current Assets</b>				
(a) Property, Plant and Equipment	2	1,59,29,355	1,57,75,421	1,47,71,508
(b) Capital work-in-progress		-	-	19,21,107
(c) Intangible assets	3	25,691	41,701	6,180
(d) Financial Assets				
(i) Investments	4	57,18,824	22,77,560	4,23,285
(e) Deferred tax assets (net)	5	38,62,447	43,16,814	41,57,443
(f) Other non-current assets	6	6,46,65,773	6,43,02,723	6,28,44,205
<b>2 Current Assets</b>				
(a) Inventories	7	12,95,57,425	12,08,13,179	9,98,00,835
(b) Financial Assets				
(i) Trade receivables	8	34,47,043	42,12,564	31,17,921
(ii) Cash and cash equivalents	9	4,99,484	6,67,533	(80,347)
(iii) Bank balances other than (ii) above	10	10,95,823	10,29,491	5,90,378
(iv) Loans	11	5,000	34,000	9,000
(c) Other Current Assets	12	1,47,57,376	1,52,59,116	2,18,27,928
<b>TOTAL ASSETS</b>		<b>23,95,64,241</b>	<b>22,87,30,102</b>	<b>20,93,89,443</b>
<b>II. EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity Share capital	13	4,00,00,000	4,00,00,000	4,00,00,000
(b) Other Equity	14	6,98,14,328	5,49,39,677	3,85,38,535
<b>2 Non-current Liabilities</b>				
(a) Financial Liabilities				
(i) Long Term Borrowings	15	4,90,22,203	4,80,88,865	4,13,28,170
(b) Other non-current liabilities	16	5,36,40,102	5,01,25,655	4,39,22,360
<b>3 Current Liabilities</b>				
(a) Financial Liabilities				
(i) Short Term Borrowings	17	31,18,168	1,30,06,853	2,56,85,949
(ii) Trade payables	18	19,39,892	1,22,967	6,45,001
(b) Other current liabilities	19	63,23,553	53,35,905	35,61,986
(c) Short Term Provisions	20	41,20,597	25,81,079	21,08,831
(d) Current Tax Liabilities (net)	21	1,15,85,398	1,45,29,101	1,35,98,611
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>23,95,64,241</b>	<b>22,87,30,102</b>	<b>20,93,89,443</b>
The notes form an integral part of these financial statements				

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  
Date : 25th May, 2018.

For and on behalf of the Board.

**Dinesh Poddar**

Chairman and Managing Director  
[DIN : 00164182]

**Ramprasad Poddar**

Director  
[DIN : 00163950]

**Rajesh Poddar**

Director  
[DIN : 00164011]

**SWASTI VINAYAKA ART AND  
HERITAGE CORPORATION LIMITED**

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**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amounts in ₹)

Particulars	Note No.	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>1 Income</b>			
Revenue from operations	22	9,72,36,874	8,83,23,351
<b>2 Other Income</b>	23	2,24,741	60,507
<b>3 Total revenue (1+2)</b>		<b>9,74,61,615</b>	<b>8,83,83,858</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	24	2,84,328	1,70,527
(b) Purchase of stock-in-trade	25	30,84,437	46,48,230
(c) Manufacturing and operating costs	26	38,47,783	47,66,261
(d) Changes in inventories of finished goods, work-in-progress and stock in trade	27	(21,63,429)	(1,71,78,831)
(e) Employee benefit expense	28	1,91,09,906	1,61,70,707
(f) Finance Cost	29	71,27,127	80,07,412
(g) Depreciation and amortisation expense		30,48,635	30,60,065
(h) Other expenses	30	2,82,70,636	2,77,68,875
<b>Total expenses</b>		<b>6,26,09,423</b>	<b>4,74,13,246</b>
<b>5 Profit before exceptional items and tax (3-4)</b>		<b>3,48,52,192</b>	<b>4,09,70,612</b>
<b>6 Exceptional items</b>		-	-
<b>7 Profit/(Loss) before tax (5-6)</b>		<b>3,48,52,192</b>	<b>4,09,70,612</b>
<b>8 Tax expenses</b>			
a) Current Tax		1,00,88,787	1,54,66,410
b) Deferred Tax		4,54,367	(1,59,371)
<b>9 Net Profit for the period (7-8)</b>		<b>2,43,09,038</b>	<b>2,56,63,573</b>
<b>10 Other Comprehensive Income :-</b>			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of investment in equity.		2,39,600	4,11,556
(ii) Income tax relating to items (i) above.		-	-
Total Other Comprehensive Income		2,39,600	4,11,556
<b>11 Total Comprehensive Income for the period (9+10)</b>		<b>2,45,48,638</b>	<b>2,60,75,129</b>
<b>12 Earning per equity share</b>			
Basic and Diluted		<b>0.61</b>	<b>0.64</b>
The notes form an integral part of these financial statements			

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

Date : 25th May, 2018.

For and on behalf of the Board.

**Dinesh Poddar**

Chairman and Managing Director  
[DIN : 00164182]

**Ramprasad Poddar**

Director  
[DIN : 00163950]

**Rajesh Poddar**

Director  
[DIN : 00164011]

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018**

(Amounts in ₹)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017	Year Ended 1st April, 2016
<b>A. Cash Flow from Operating Activities</b>			
<b>Net Profit /Loss Before Tax and Extra Ordinary items</b>	<b>3,48,52,192</b>	4,09,70,612	3,17,01,316
Add / (Deduct) :			
Depreciation Exps.	30,48,635	30,60,065	39,52,287
Finance changes and (Gain)/Loss on variation in Foreign Exchange rates	71,27,127	80,07,412	94,02,423
Dividend Received	(33,578)	(6,400)	(1,200)
Profit/Loss on Sale of Investments	(392)	-	-
Interest Received	(1,90,771)	(54,107)	(58,391)
<b>Operating Cash Profit Before Working Capital Changes</b>	<b>4,48,03,213</b>	5,19,77,582	4,49,96,435
Add / (Deduct) :			
(Increase)/Decrease in Trade and Other receivable	7,65,521	(10,94,643)	76,55,044
(Increase)/Decrease in Inventories	(87,44,246)	(2,10,12,344)	(59,46,980)
(Increase)/Decrease in Short terms Loans and Advances	5,30,740	65,43,812	(47,90,565)
(Increase)/Decrease in Long Term Loan /Advances Deposits	(3,63,050)	(14,58,518)	(1,32,180)
Increase/(Decrease) in Trade and Other Payables	78,58,538	(47,51,667)	40,44,414
	<b>4,48,50,716</b>	3,02,04,222	4,58,26,168
Income Tax (Paid) /Refunds received	(1,30,32,490)	(1,45,35,921)	(94,68,659)
<b>Net Cash Generated from Operating Activities</b>	<b>3,18,18,226</b>	1,56,68,301	3,63,57,509
<b>B. Cash Flow from Investing Activities :</b>			
Sale of Investments	3,240	-	-
Purchase of Fixed Assets-Work in Progress	(31,86,558)	(21,78,392)	(19,82,720)
Purchase of Investments	(32,04,513)	(14,42,719)	(4,79,473)
Dividend Received	33,578	6,400	1,200
Interest Received	1,90,771	54,107	58,391
<b>Net Cash (used in) / Investing Activities</b>	<b>(61,63,482)</b>	(35,60,604)	(24,02,602)
<b>C. Cash Flow from Financing Activities :</b>			
Increase / (Decrease) in Secured loans	3,91,33,518	-	(71,96,029)
Increase / (Decrease) in Unsecured Loan	(4,80,88,865)	67,60,695	(80,47,774)
Interest Paid	(71,27,127)	(80,07,412)	(94,02,423)
Dividend Paid	(80,00,000)	(80,00,000)	(80,00,000)
Dividend Tax Paid	(16,73,987)	(16,73,987)	(16,37,974)
<b>Cash Generated from Financing Activities</b>	<b>(2,57,56,461)</b>	(1,09,20,704)	(3,42,84,200)
Net Cash Generated/(Used) in Operating, Investing and Financing Activities	(1,01,717)	11,86,993	(3,29,293)
Cash and Cash Equivalents at the beginning of the Year	16,97,024	5,10,031	8,39,324
Cash and Cash Equivalents at the end of the year	15,95,307	16,97,024	5,10,031

For and on behalf of the Board.

Place : Mumbai Date : 25th May, 2018.	<b>Dinesh Poddar</b> Chairman and Managing Director [DIN : 00164182]	<b>Ramprasad Poddar</b> Director [DIN : 00163950]	<b>Rajesh Poddar</b> Director [DIN : 00164011]
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**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 and records maintained by the company for the year ended on 31st March, 2018 and 31st March 2017 and found the same to be drawn in accordance therewith.

Place : Mumbai Date : 25th May, 2018.	<b>For Sanjay Raja Jain &amp; Co.</b> Chartered Accountants FRN - 120132W	<b>Sanjay Raja Jain</b> (Partner) M.No.108513
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# SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

32nd Annual Report 2017-18

## STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2018

### A) EQUITY SHARE CAPITAL

Particulars	No. of shares	Amount
Balance as at 1st April, 2016	4,00,00,000	4,00,00,000
Change in equity share capital	-	-
Balance as at March 31, 2017	4,00,00,000	4,00,00,000
Change in equity share capital	-	-
<b>Balance as at March 31, 2018</b>	<b>4,00,00,000</b>	<b>4,00,00,000</b>

### B) OTHER EQUITY

Particulars	Reserves and Surplus			Total
	General Reserve	Retained Earnings	FVTOCI reserve	
<b>Balance as at 1 April 2016</b>	3,10,00,000	75,94,723	(56,188)	3,85,38,535
Profit for the year		2,56,63,573		2,56,63,573
Other comprehensive income			4,11,556	4,11,556
Dividends (including corporate dividend tax)		(96,73,987)		(96,73,987)
Transferred to General Reserve		(90,00,000)		(90,00,000)
Transferred from Retained Earnings	90,00,000			90,00,000
<b>Balance as at 31 March 2017</b>	<b>4,00,00,000</b>	<b>1,45,84,309</b>	<b>3,55,368</b>	<b>5,49,39,677</b>
Profit for the year		2,43,09,038		2,43,09,038
Other comprehensive income			2,39,600	2,39,600
Dividends (including corporate dividend tax)		(96,73,987)		(96,73,987)
Transferred to General Reserve		(1,00,00,000)		(1,00,00,000)
Transferred from Retained Earnings	1,00,00,000			1,00,00,000
<b>Balance as at 31 March 2018</b>	<b>5,00,00,000</b>	<b>1,92,19,360</b>	<b>5,94,968</b>	<b>6,98,14,328</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 1.

#### I. CORPORATE INFORMATION

SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED (the Company) (CIN: L51900MH1985PLC036536) is a public limited company and is listed on Bombay Stock Exchange (BSE). The Company is engaged inter alia, in the business of manufacturing and trading of Gemstone Carvings, Signio paintings and Couture Jewellery and also engaged in the business of real estate.

These financial statements were approved for issue by board of directors on May 25, 2018.

#### II. Significant Accounting Policies

##### 1 Basis of Preparation of Financial Statements

- These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies ( Indian Accounting Standards) Rules, 2015, under the historical cost convention on accrual basis.  
The financial statements up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under Companies (Accounting Standard) Rules, 2014 and other relevant provisions of the Act ("Previous GAAP").  
These financial statements are the first financial statements of the Company under Ind AS. Refer note 34 related to First-time Adoption of Ind AS for an explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.
- All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be twelve months for the purpose of current – non-current classification of assets and liabilities.
- Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.

##### 2 Property, Plant and Equipment and Depreciation

###### A) Property Plant and Equipment:

- All Tangible Fixed assets are stated at cost of acquisition or construction, less accumulated depreciation. All costs, including borrowing cost till respective assets is put to use, are capitalized.
- Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.
- Transition to Ind AS,

On transition to Ind AS, the Company has opted to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment on the transition date.

## NOTES TO THE FINANCIAL STATEMENTS

### B) Depreciation:

Depreciation has been provided as under:

- i) For assets existing on 1st April 2014 the carrying amount will be amortized over the remaining useful lives on written down value method as prescribed in the schedule II of Companies Act, 2013.
- ii) For the assets added after the 1st April 2014 :- On written down value method at the useful Lives prescribed in Schedule II to The Companies Act, 2013.
- iii) Depreciation on assets added/ disposed off during the year has been provided on pro-rata basis with reference to the days of addition/ disposal.
- iv) The residual values are not more than 5% of the original cost of the asset

### 3 Foreign Exchange Transaction

#### i) Functional currency and presentation currency :

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees, which is the Company's functional and presentation currency.

#### ii) Transactions and balances :

Transactions denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the time of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions is recognized in statement of profit or loss.

At the reporting date, non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction.

### 4 Investments

- a) Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All the other investments are classified as long-term investments. Current investments and Long Term Investments are carried at fair value at the Balance sheet date.

Transition to Ind AS :

Investments :

- b) Upon first time adoption of Ind AS, the Company has opted to value at fair Price to all of its investments as at April 1, 2016 and use that carrying value as the deemed cost of such other investment on the transition date. The resulting gain or loss arising from such a transition is added to retained earnings in balance sheet as on the April 1, 2016.

### 5 Inventories

Inventories are stated at lower of cost and net realizable value.

Cost of raw materials is determined using FIFO method. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

The cost of finished goods and Stock-in-process comprises raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion.

Waste material are valued at Net Realizable value, if any.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

### 6 Recognition of Income & Expenditure

- (i) Revenue/ Incomes and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.
- (ii) a) Sale of Goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.  
b) Sales of goods are accounted excluding taxes, wherever applicable.
- (iii) Interest Income/ expenditure is recognized on the time proportion basis taking into account of the amount outstanding and the rate applicable.
- (iv) Dividend income is recognized when the right to received dividend is established.

### 7 Employees Retirement and other benefits

- a) Provident fund:-

The contribution of the Company on a monthly basis towards Provident Fund which is defined contribution plan is charged to revenue. The company has paid to regulatory authority & has no further obligations other than these contributions.

- b) Leave Encashment:-

The company recognises and pays Leave Encashment on a quarterly basis to all employees.

- e) Gratuity:-

The company recognises Gratuity on yearly basis and pays Gratuity to the employees on Retirement, resignation, termination of employees.

### 8 Provisions & Contingent Liabilities

#### Provisions

Provisions are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

#### Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from the past events, the existence of which will be confirmed only on the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not portable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

### 9 Income Tax, Deferred Tax and Dividend Distribution Tax

- a) Current and Deferred Tax

Tax expense for the period, comprising Current tax and Deferred Tax are included in the determination of net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

Deferred Tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets

## NOTES TO THE FINANCIAL STATEMENTS

can be realized.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted and substantively enacted at the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

b) **Dividend Distribution Tax :**

Dividend distribution tax paid and the dividends is recognized consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to Statement of Profit and Loss.

**10 Impairment of Assets**

Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of asset that generates cash inflows from continuing use that are largely independent of the cash inflow from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made.

Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

**11 Cash and Cash Equivalents:**

In the Cash flow statement, cash and cash equivalents include cash on hand, demand deposits with bank, other short term highly liquid investments with original maturity of three months or less.

**12 Earnings per share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The Weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for the events, such as bonus shares, other than conversion of potential equity share that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity share holders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

**13 Financial Instruments**

A financial instrument is a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**1) FINANCIAL ASSETS**

i) **Classification**

The Company classifies its financial assets in the following measurement categories:

a) **at fair value through other comprehensive income (FVOCI)**

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Gains and losses will be recorded in the statement of Profit and Loss through other comprehensive income for assets measured at fair value.

For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value or through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) **Measurement**

At initial recognition, in case of a financial asset not at fair value through the statement of profit and loss account, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the statement of profit and loss are expensed in profit or loss.

a) **Equity instruments**

The Company measures all equity investments at fair value. The Company's management has opted to present fair value gains and losses on equity investments through profit and loss account. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit and loss are recognised in other income or other expenses, as applicable in the statement of profit and loss.

iii) **Derecognition of financial assets**

A financial asset is derecognised only when -

The Company has transferred the rights to receive cash flows from the financial asset or

Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

iv) **Income Recognition**

Interest income

**NOTES TO THE FINANCIAL STATEMENTS**

Interest income from debt instruments is recognised in the profit and loss statement on accrual basis. Interest income on receipt of delayed payments from creditors is recognized on cash basis.

Dividend income

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

v) Cash and cash equivalents

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short- term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**2) FINANCIAL LIABILITIES**

i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liabilities not recorded at fair value through profit and loss), that are directly attributable to the issue of financial liability.

ii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

iii) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per payment terms.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

**III. A Critical estimates and judgments**

In the application of the company's accounting policies, which are described in note 1, the management is required to make judgment, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other process. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future period.

The following are the critical estimates and judgments that have the significant effect on the amounts recognised in the financial statements.

**Critical estimates and judgments**

**i) Estimation of current tax expense and deferred tax**

The calculation of the company's tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax in the period in which such determination is made.

**Recognition of deferred tax assets / liabilities**

The recognition of deferred tax assets is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the approved budgets of the company. Where the temporary differences are related to losses, local tax law is considered to determine the availability of the losses to offset against the future taxable profits as well as whether there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the company. Significant items on which the Company has exercised accounting judgment include recognition of deferred tax assets in respect of losses. The amounts recognised in the financial statements in respect of each matter are derived from the Company's best estimation and judgment as described above.

**ii) Estimation of Provisions and Contingent Liabilities**

The company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities, which is related to pending litigation or other outstanding claims. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement.

Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision. Although there can be no assurance of the final outcome of the legal proceedings in which the company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

**iii) Estimation of useful life of Property, Plant and Equipment and Intangible assets**

Property, Plant and Equipment and Intangible assets represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

**iv) Estimation of provision for inventory**

The company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

## NOTES TO THE FINANCIAL STATEMENTS

**v) Impairment of Trade Receivable**

The impairment provisions for trade receivable are based on assumptions about risk of default and expected loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**III. B New accounting standards/ amendments to existing standards issued but not yet effective**

Following are the amendments to existing standards which have been issued by The Ministry of corporate Affairs (–MCA) that are not effective for the reporting period and have not been early adopted by the company:

**a) Amendments to Ind AS 115, Revenue from contracts with customers:**

Ind AS 115, Revenue from contracts with customers deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard replaces Ind AS 18 Revenue and related appendices.

A new five-step process must be applied before revenue can be recognized:

1. identify contracts with customers
2. identify the separate performance obligation
3. determine the transaction price of the contract
4. allocate the transaction price to each of the separate performance obligations, and
5. recognise the revenue as each performance obligation is satisfied.

The Company is currently under the process of assessing the potential impact of this amendment. These amendments are mandatory for the reporting period beginning on or after April 01, 2018.

**b) Amendments to Appendix B to Ind AS 21 Foreign currency transactions and advance consideration:**

The MCA has notified Appendix B to Ind AS 21, foreign currency transactions and advance consideration. The appendix clarifies how to determine the date of transaction for the exchange rate to be used on initial recognition of a related asset, expense or income where an entity pays or receives consideration in advance for foreign currency-denominated contracts.

For a single payment or receipt, the date of the transaction should be the date on which the entity initially recognises the non-monetary asset or liability arising from the advance consideration (the prepayment or deferred income/ contract liability). If there are multiple payments or receipts for one item, date of transaction should be determined as above for each payment or receipt.

The Company is currently assessing the potential impact of this amendment. These amendments will be applied prospectively to items in scope, for the reporting period beginning on or after April 01, 2018.

**c) Amendments to Ind AS 40 Investment property - Transfers of investment property:**

The amendments clarify that transfers to, or from, investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer. The list of evidence for a change of use in the standard was re-characterized as a non-exhaustive list of examples and scope of these examples have been expanded to include assets under construction/development and not only transfer of completed properties.

The Company is currently assessing the potential impact of this amendment.

The Company has opted to apply these amendments prospectively to changes in use that occur on or after the date of initial application i.e. April 01, 2018. On April 01, 2018, the Company shall reassess the classification of properties held at that date and, if applicable, reclassify properties to reflect the conditions that exist as at that date.

**d) Amendments to Ind AS 12 Income taxes regarding recognition of deferred tax assets on unrealised losses:**

The amendment clarify the accounting for deferred taxes where an asset is measured at fair value and at fair value is below the asset's tax base. The management is in the process of assessing the impact of above amendments. The company will adopt the amendment from April 1, 2018.

There are no other standards that are not yet effective and that would be expected to have a material impact on the company in the current of future reporting periods and on foreseeable future transactions.

**Note 2 - Property, Plant and Equipment**

(Amounts in ₹)

Particulars	Gross Block			Depreciation			Net Block	
	As at 01/04/2017	Additions / (Deduction)	As at 31/03/2018	As at 01/04/2017	For The Year	As at 31/03/2018	As at 31/03/2018	As at 31/03/2017
Computers and Peripherals	7,20,064	8,898	<b>7,28,962</b>	5,46,460	96,933	<b>6,43,393</b>	<b>85,569</b>	1,73,604
Furniture and Fixtures	3,93,66,151	9,70,444	<b>4,03,36,596</b>	3,12,00,008	20,62,698	<b>3,32,62,706</b>	<b>70,73,890</b>	81,66,143
Office Equipments	17,68,828	24,765	<b>17,93,593</b>	13,09,877	1,86,028	<b>14,95,905</b>	<b>2,97,688</b>	4,58,951
Office Premises	1,01,11,901	6,15,951	<b>1,07,27,852</b>	33,60,998	3,37,418	<b>36,98,416</b>	<b>70,29,436</b>	67,50,903
Plant and Machinery	2,34,615	16,500	<b>2,51,115</b>	1,98,145	9,501	<b>2,07,646</b>	<b>43,469</b>	36,470
Vehicles	31,51,296	15,50,000	<b>47,01,296</b>	29,61,946	3,40,047	<b>33,01,993</b>	<b>13,99,303</b>	1,89,350
Total	5,53,52,855	31,86,558	<b>5,85,39,414</b>	3,95,77,434	30,32,625	<b>4,26,10,059</b>	<b>1,59,29,355</b>	1,57,75,421
Previous Year	5,13,11,256	40,41,599	<b>5,53,52,855</b>	3,65,39,748	30,37,686	<b>3,95,77,434</b>	<b>1,57,75,421</b>	1,47,71,508



NOTES TO THE FINANCIAL STATEMENTS

(Amounts in ₹)

Note 3 - Intangible assets								
Particulars	Gross Block			Depreciation			Net Block	
	As at 01/04/2017	Additions / (Deduction)	As at 31/03/2018	As at 01/04/2017	For The Year	As at 31/03/2018	As at 31/03/2018	As at 31/03/2017
Software	1,81,496	-	1,81,496	1,39,795	16,010	1,55,805	25,691	41,701
Total	1,81,496	-	1,81,496	1,39,795	16,010	1,55,805	25,691	41,701
Previous Year	1,23,596	57,900	1,81,496	1,17,416	22,379	1,39,795	41,701	6,180

Note 4 - Non-current Investments								
SR. NO.	PARTICULARS	FACE VALUE RUPEES	AS AT 31.3.2018		AS AT 31.3.2017		AS AT 01.4.2016	
			NO. OF SHARES	AMOUNT RUPEES	NO. OF SHARES	AMOUNT RUPEES	NO. OF SHARES	AMOUNT RUPEES
	<b>FULLY PAID UP EQUITY SHARES (QUOTED)</b>							
1	AGRO TECH FOODS LIMITED	10	50	37,176	-	-	-	-
2	AVANTI FEEDS LIMITED	2	30	80,146	-	-	-	-
3	AVENUE SUPERMARTS LIMITED	10	100	1,15,520	-	-	-	-
4	BAJAJ AUTO LIMITED	10	10	33,577	-	-	-	-
5	BIOCON LIMITED	5	50	27,011	-	-	-	-
6	BRIGADE ENTERPRISES LIMITED	10	250	72,888	-	-	-	-
7	CENTURY PLYBOARDS INDIA LIMITED	1	125	39,827	-	-	-	-
8	CL EDUCATE LIMITED	10	100	32,449	-	-	-	-
9	FERRO ALLOYS CORP. LIMITED	1	1,800	25,632	-	-	-	-
10	GATI LIMITED	2	250	35,444	-	-	-	-
11	GMR INFRASTRUCTURE LIMITED	1	32,500	4,22,384	32,500	4,22,384	7,000	1,04,018
12	GODREJ AGROVET LIMITED	10	200	1,07,960	-	-	-	-
13	GREENPLY INDUSTRIES LIMITED	1	100	33,868	-	-	-	-
14	HDFC STANDARD LIFE INSURANCE COMPANY LIMITED	10	300	1,11,293	-	-	-	-
15	HINDALCO INDUSTRIES LIMITED	1	2,200	4,18,285	-	-	-	-
16	HINDUSTAN CONSTRUCTION COMPANY LIMITED	1	11,500	2,76,406	11,500	2,76,406	3,000	80,176
17	INDIA GLYCOLS LIMITED	10	100	39,554	-	-	-	-
18	JAIN IRRIGATION SYSTEMS LIMITED	2	4,500	3,34,568	4,500	3,34,568	1,500	98,381
19	NILKAMAL LIMITED	10	20	33,948	-	-	-	-
20	NITESH ESTATES LIMITED	10	47,000	5,50,377	47,000	5,50,377	5,500	83,773
21	PENINSULA LAND LIMITED	2	3,000	86,747	-	-	-	-
22	PILANI INVESTMENT AND INDUSTRIES CORPORATION LIMITED	10	60	1,78,363	-	-	-	-
23	PURAVANKARA LIMITED	5	400	38,207	-	-	-	-
24	SCHAEFFLER INDIA LIMITED	10	10	52,054	-	-	-	-
25	SUVEN LIFE SCIENCES LIMITED	1	250	50,724	-	-	-	-
26	TATA POWER CO. LIMITED	1	5,000	4,03,806	-	-	-	-
27	TATA STEEL LIMITED	10	2,204	9,30,766	1,000	3,38,457	400	1,13,125
28	TATA STEEL LIMITED [PARTLY PAIDUP]	2.5	152	23,408	-	-	-	-
29	TV18 BROADCAST LIMITED	2	500	31,037	-	-	-	-
30	ULTRATECH CEMENT LIMITED	10	100	4,16,934	-	-	-	-
31	WATERBASE LIMITED	10	500	83,497	-	-	-	-
	<b>TOTAL</b>			<b>51,23,856</b>		<b>19,22,192</b>		<b>4,79,473</b>
	AGGREGATE COST OF QUOTED INVESTMENTS			51,23,856		19,22,192		4,79,473
	AGGREGATE FAIR VALUE OF QUOTED INVESTMENTS THROUGH OCI			57,18,824		22,77,560		4,23,285
	AGGREGATE COST OF UNQUOTED INVESTMENTS			-		-		-

NOTE : 1. Increase / Decrease in shares represent shares purchased / sold during the year unless otherwise stated.  
2. For the scrips where Market rate of last trading day for the financial years is not available, market rate for the last trading date is considered for the valuation.

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	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>Note 5 - Deferred Tax Assets (net)</b>			
Deferred Tax Asset on account of			
Depreciation	29,94,305	36,13,985	36,18,050
Provision for Gratuity payable to employees	8,68,142	7,02,829	5,39,393
<b>Total</b>	<b>38,62,447</b>	<b>43,16,814</b>	<b>41,57,443</b>
<b>Note 6 - Other Non current assets</b>			
a. Security Deposits	6,24,20,000	6,20,70,000	6,05,70,000
b. Other advances	22,45,773	22,32,723	22,74,205
<b>Total</b>	<b>6,46,65,773</b>	<b>6,43,02,723</b>	<b>6,28,44,205</b>
<b>Note 7 - Inventories</b>			
a. Stock-in-trade	3,90,57,121	3,71,58,647	3,57,39,995
b. Raw Material	5,45,86,177	4,80,05,360	4,41,71,847
c. Work-in-progress	60,83,325	81,83,048	71,17,698
d. Finished Goods	2,98,30,802	2,74,66,124	1,27,71,295
<b>Total</b>	<b>12,95,57,425</b>	<b>12,08,13,179</b>	<b>9,98,00,835</b>
<b>Note 8 - Trade Receivables</b>			
Trade Receivables outstanding for a period exceeding six months			
Secured considered goods	14,61,640	12,77,618	25,01,152
Unsecured considered goods	-	10,65,006	3,12,500
Trade Receivables outstanding for a period less than six months			
Secured considered goods	10,91,192	17,13,540	2,88,969
Unsecured considered goods	8,94,211	1,56,400	15,300
<b>Total</b>	<b>34,47,043</b>	<b>42,12,564</b>	<b>31,17,921</b>
<b>Note 9 - Cash and cash equivalents</b>			
(i) Cash and Cash Equivalents			
a. Balances with banks	88,956	2,21,607	(83,275)
b. Cash on hand	4,10,528	4,45,926	2,928
	<b>4,99,484</b>	<b>6,67,533</b>	<b>(80,347)</b>
<b>Note 10 - Bank balances other than Cash and cash equivalents</b>			
(i) Other Bank balances			
Unclaimed Dividend accounts	10,95,823	10,29,491	5,90,378
<b>Total</b>	<b>15,95,307</b>	<b>16,97,024</b>	<b>5,10,031</b>
<b>Note 11 - Loans</b>			
a. Loans to employees (unsecured, considered good)	5,000	34,000	9,000
<b>Total</b>	<b>5,000</b>	<b>34,000</b>	<b>9,000</b>

**NOTES TO THE FINANCIAL STATEMENTS**

(Amounts in ₹)

	<u>As at 31st March, 2018</u>	<u>As at 31st March, 2017</u>	<u>As at 1st April, 2016</u>			
<b>Note 12 - Other Current Assets</b>						
a. Prepaid Expenses	1,51,802	97,057	1,23,104			
b. Advances given to Creditors for goods	1,38,59,927	1,39,00,196	1,89,06,396			
c. Advances given to Creditors Expenses and Services	3,13,813	1,02,680	2,14,891			
d. Others	4,31,834	11,59,183	25,83,457			
<b>Total</b>	<u>1,47,57,376</u>	<u>1,52,59,116</u>	<u>2,18,27,928</u>			
<b>Note 13 - Equity share capital</b>						
<b>Authorised</b>						
5,00,00,000 [March 31, 2017 : 5,00,00,000] Equity Shares of Re. 1/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>	<u>5,00,00,000</u>			
<b>Issued</b>						
4,00,00,000 [March 31, 2017 : 4,00,00,000] Equity Shares of Re. 1/- each	<u>4,00,00,000</u>	<u>4,00,00,000</u>	<u>4,00,00,000</u>			
<b>Subscribed &amp; Paid up</b>						
4,00,00,000 [March 31, 2017 : 4,00,00,000] Equity Shares of Re. 1/- each	<u>4,00,00,000</u>	<u>4,00,00,000</u>	<u>4,00,00,000</u>			
<b>Total</b>	<u>4,00,00,000</u>	<u>4,00,00,000</u>	<u>4,00,00,000</u>			
<p>The Company has only one class of equity shares having a par value of Re.1 per share. Each Shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders.</p>						
<b>A) Movement in equity share capital</b>						
<b>Particulars</b>	<b>No. of shares</b>	<b>Amount</b>				
Balance as at 1st April, 2016	4,00,00,000	4,00,00,000				
Movement during the year	-	-				
Balance as at March 31, 2017	4,00,00,000	4,00,00,000				
Movement during the year	-	-				
Balance as at March 31, 2018	4,00,00,000	4,00,00,000				
<b>B) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company :</b>						
Name of the Shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	No. of shares held	% of Holdings	No. of shares held	% of Holdings	No. of shares held	% of Holdings
Ramprasad Poddar	46,83,050	11.71	29,00,650	7.25	35,49,900	8.87
Rajesh Poddar	29,70,000	7.43	29,70,000	7.43	-	-
Dinesh Poddar	29,15,000	7.29	29,15,000	7.29	-	-
Ramprasad Poddar and Sons HUF	27,61,750	6.90	27,61,750	6.90	27,61,750	6.90
Pushpadevi Poddar	21,35,900	5.34	21,35,900	5.34	-	-
Ramprasad Dinesh Kumar Poddar Huf	-	-	-	-	25,50,750	6.38
Dinesh Rajesh and Bros. HUF	-	-	26,12,400	6.53	26,12,400	6.53

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	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016	
<b>Note:14 - Other Equity</b>				
<b>Particulars</b>	<b>Reserves and Surplus</b>			<b>Total</b>
	<b>General Reserve</b>	<b>Retained Earnings</b>	<b>FVTOCI reserve</b>	
<b>Balance as at 1 April 2016</b>	3,10,00,000	75,94,723	(56,188)	3,85,38,535
Profit for the year		2,56,63,573		2,56,63,573
Other comprehensive income			4,11,556	4,11,556
Dividends (including corporate dividend tax)		(96,73,987)		(96,73,987)
Transferred to General Reserve		(90,00,000)		(90,00,000)
Transferred from Retained Earnings	90,00,000			90,00,000
<b>Balance as at 31 March 2017</b>	<b>4,00,00,000</b>	<b>1,45,84,309</b>	<b>3,55,368</b>	<b>5,49,39,677</b>
Profit for the year		2,43,09,038		2,43,09,038
Other comprehensive income			2,39,600	2,39,600
Dividends (including corporate dividend tax)		(96,73,987)		(96,73,987)
Transferred to General Reserve		(1,00,00,000)		(1,00,00,000)
Transferred from Retained Earnings	1,00,00,000			1,00,00,000 ]
<b>Balance as at 31 March 2018</b>	<b>5,00,00,000</b>	<b>1,92,19,360</b>	<b>5,94,968</b>	<b>6,98,14,328</b>
<b>Note 15- Long Term Borrowings</b>				
<b>Secured</b>				
<b>Term Loans</b>				
From Bank and Financial Institution	<u>4,90,22,203</u>	-	-	
<b>Nature of Security</b>				
Secured against property in the name of company; group companies and personal guarantee of Directors.				
<b>Terms of payments</b>				
1	Term Loan amounting to Rs. 4,77,50,492 (March 31, 2017 : Rs. Nil) Repayable in 120 monthly installment commencing from June 2017, Last installment due in May 2027. Rate of interest 9.15% p.a. at the end of year (Previous year N.A..)			
2.	Vehicle Loan amounting to Rs. 12,71,711 (March 31, 2017 : Rs. Nil) Repayable in 60 monthly installment commencing from September 2017, Last installment due in August 2022. Rate of interest 11% p.a. at the end of year (Previous year N.A..)			
<b>Unsecured</b>				
<b>Loans and advances from related parties</b>				
Intercorporate Loans (Refer Note 33)	-	4,80,88,865		4,13,28,170
<b>Total</b>	<u>4,90,22,203</u>	<u>4,80,88,865</u>		<u>4,13,28,170</u>
<b>Note 16 - Other Non current Liabilities</b>				
Interest free security deposits	4,51,80,998	4,46,10,188		3,91,73,812
Others	84,59,104	55,15,467		47,48,548
<b>Total</b>	<u>5,36,40,102</u>	<u>5,01,25,655</u>		<u>4,39,22,360</u>

**NOTES TO THE FINANCIAL STATEMENTS**

(Amounts in ₹)

	<u>As at 31st March, 2018</u>	<u>As at 31st March, 2017</u>	<u>As at 1st April, 2016</u>
<b>Note 17 - Short Term Borrowing</b>			
<b>Secured</b>			
<b>Working Capital loans from banks</b>	31,18,168	1,30,06,853	2,56,85,949
(Secured Dropline Overdraft facility from bank secured against receivables/ property in the name of company/group companies and personal guarantee of directors)			
<b>Total</b>	<u>31,18,168</u>	<u>1,30,06,853</u>	<u>2,56,85,949</u>
<b>Note 18 - Trade Payables</b>			
Trade Payables	19,39,892	1,22,967	6,45,001
<b>Total</b>	<u>19,39,892</u>	<u>1,22,967</u>	<u>6,45,001</u>
<b>Note 19 - Other Current Liabilities</b>			
Current maturities of long-term debt	-	-	17,13,887
Statutory Dues	13,56,148	14,06,310	3,89,029
Unclaimed Dividend	10,95,823	10,29,491	5,90,378
Other Payables	4,13,708	9,12,160	5,55,889
Advance received against sales	34,57,874	19,87,944	3,12,803
<b>Total</b>	<u>63,23,553</u>	<u>53,35,905</u>	<u>35,61,986</u>
<b>Note 20 - Short Term Provisions</b>			
Salary / Bonus Payables	9,69,731	4,55,352	4,77,421
Provision for Employee benefits	31,50,866	21,25,727	16,31,410
<b>Total</b>	<u>41,20,597</u>	<u>25,81,079</u>	<u>21,08,831</u>
<b>Note 21 - Current Tax Liabilities (net)</b>			
Other Short Term Provisions			
Provision for Taxation (Net of Tax Paid)	19,11,411	48,55,114	39,24,624
Provision for Dividend and Dividend Tax	96,73,987	96,73,987	96,73,987
<b>Total</b>	<u>1,15,85,398</u>	<u>1,45,29,101</u>	<u>1,35,98,611</u>
<b>Note 22 - Revenue from operations</b>	<u>Year Ended 31st March, 2018</u>	<u>Year Ended 31st March, 2017</u>	
<b>Sale of products</b>			
(i) Manufactured Goods	1,03,27,334	25,90,249	
(ii) Stock-in-trade	44,12,186	95,25,537	
	<u>1,47,39,520</u>		1,21,15,786
Sale of Service			
Compensation Income	8,24,97,354		7,62,07,565
<b>Total</b>	<u>9,72,36,874</u>		<u>8,83,23,351</u>
<b>Note 23 - Other Income</b>			
Interest Income	1,90,771		54,107
Dividend	33,578		6,400
Profit on sale of Investment	392		-
<b>Total</b>	<u>2,24,741</u>		<u>60,507</u>



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	<u>Year Ended 31st March, 2018</u>	<u>Year Ended 31st March, 2017</u>		
<b>Note 24 - Cost of Materials Consumed</b>				
<b>Raw material</b>				
Opening Stock	4,80,05,360	4,41,71,847		
Purchases	<u>68,65,145</u>	<u>40,04,040</u>		
	<b>5,48,70,505</b>	<b>4,81,75,887</b>		
Less : Closing Stock	<u>5,45,86,177</u>	<u>4,80,05,360</u>		
<b>Total</b>	<b><u>2,84,328</u></b>	<b><u>1,70,527</u></b>		
<b>Imported and Indigenous Raw Materials Consumed</b>				
	₹	%	₹	%
Imported	3,26,883	47.07	1,53,362	33.87
Indigenous	<u>3,67,542</u>	<u>52.93</u>	<u>2,99,395</u>	<u>66.13</u>
	<b><u>6,94,425</u></b>	<b><u>100.00</u></b>	<b><u>4,52,757</u></b>	<b><u>100.00</u></b>
<b>Details of Raw Material Consumed</b>				
Rough Stones [Imported]		3,26,883		1,53,362
Rough Stones [Indigenous]		<u>3,67,542</u>		<u>2,99,395</u>
		<b><u>6,94,425</u></b>		<b><u>4,52,757</u></b>
<b>Note 25 - Purchases of Stock-in-trade</b>				
Diamonds		-		1,35,000
Gemstones		11,747		5,19,515
Jewellery		14,60,771		18,45,785
Gemstone Carvings		<u>16,11,919</u>		<u>21,47,930</u>
<b>Total</b>		<b><u>30,84,437</u></b>		<b><u>46,48,230</u></b>
<b>Note 26 - Manufacturing and Operating Costs</b>				
Job Work / Making Charges		36,74,734		45,10,690
Other Manufacturing and Operating Expenses		<u>1,73,049</u>		<u>2,55,571</u>
<b>Total</b>		<b><u>38,47,783</u></b>		<b><u>47,66,261</u></b>
<b>Note 27 - Changes in inventories of finished goods, Work-in-progress and stock in trade</b>				
<b>Opening Stock</b>				
Finished Goods		2,74,66,124		1,27,71,295
Work-in-progress		81,83,048		71,17,698
Stock-in-trade		<u>3,71,58,647</u>		<u>3,57,39,995</u>
		<b><u>7,28,07,819</u></b>		<b><u>5,56,28,988</u></b>
<b>Closing Stock</b>				
Finished Goods		2,98,30,802		2,74,66,124
Work-in-progress		60,83,325		81,83,048
Stock-in-trade		<u>3,90,57,121</u>		<u>3,71,58,647</u>
		<b><u>7,49,71,248</u></b>		<b><u>7,28,07,819</u></b>
<b>Total</b>		<b><u>(21,63,429)</u></b>		<b><u>(1,71,78,831)</u></b>

**NOTES TO THE FINANCIAL STATEMENTS**

(Amounts in ₹)

	Year Ended 31st March, 2018	Year Ended 31st March, 2017
<b>Note 28 - Employee Benefit Expenses</b>		
Salary, wages, Bonus, etc.	1,82,94,620	1,45,47,571
Contributions to provident and other funds	4,58,471	12,38,643
Staff Welfare Expenses	3,56,815	3,84,493
	<u>1,91,09,906</u>	<u>1,61,70,707</u>
<b>Note 29- Finance Cost</b>		
Interest expenses	62,80,505	78,75,739
Other borrowing costs	7,88,866	1,31,673
Foreign Exchange rate difference	57,756	-
	<u>71,27,127</u>	<u>80,07,412</u>
<b>Note 30 - Other Expenses</b>		
Advertising and Publicity Expenses	10,09,188	31,11,207
Auditors' Remuneration and Expenses	70,000	70,000
Commission and Brokerage	7,11,151	4,80,513
Compensation Expenses	1,32,05,266	1,04,59,160
Conveyance Expenses	8,69,297	7,30,917
Donation	6,00,000	6,00,000
Insurance Premium	16,66,915	16,63,410
Legal and Professional Charges	4,48,172	9,76,783
Membership and Subscription	1,96,786	1,75,560
Postage Telephone and Internet Expenses	2,65,427	2,94,850
Power and Fuel	6,20,146	6,26,118
Printing and Stationery	2,10,741	2,16,221
Rates and Taxes	13,81,006	14,16,905
Repairs and Maintenance Expenses	24,89,248	12,57,668
Sales Promotion Expenses	12,47,693	17,70,944
Security Charges	6,59,496	6,60,498
Stamp Duty and Registration Charges	1,16,750	72,410
Transportation Expenses	3,46,016	4,54,235
Travelling Expenses	13,64,107	12,65,563
Miscellaneous Expenses	7,93,231	14,65,913
	<u>2,82,70,636</u>	<u>2,77,68,875</u>
<b>Note 31 - Foreign Exchange Earnings &amp; Outgo</b>		
<b>Total Foreign Exchange Earned</b>		
Export	29,39,330	35,18,239
<b>Expenditure in Foreign Currency</b>		
Foreign Travel	8,30,630	8,51,697
Import of goods	47,72,766	40,97,431
<b>Note 32 - Payments to Auditor</b>		
Statutory Audit Fees	60,000	60,000
Taxation Matters	10,000	10,000
<b>Total</b>	<u>70,000</u>	<u>70,000</u>

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## NOTES TO THE FINANCIAL STATEMENTS

(Amounts in ₹)

Note 33.- Related parties disclosures :						
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	-	-	-	-	7,90,000	27,000
Sales of Goods	-	-	-	-	27,000	-
Remuneration and Other Benefits	56,07,976	43,25,040	-	-	-	-
Loan Taken	-	-	-	-	29,50,000	7,90,75,000
Repayment of Loan taken	-	-	-	-	5,06,00,000	7,23,75,000
Loan given	-	-	-	-	1,09,00,000	-
Repayment of Loan given	-	-	-	-	1,09,00,000	-
Interest Paid	-	-	-	-	7,80,025	57,82,594
Interest Received	-	-	-	-	1,44,690	-
Compensation Paid	-	-	-	-	1,47,60,310	1,17,52,352
Donation	-	-	-	-	6,00,000	6,00,000
Deposits /Advance given	-	-	-	-	3,50,000	15,00,000
<b>Outstanding Balance as on 31/03/2018</b>						
Loans and advances Taken	-	-	-	-	-	4,76,50,000
Interest on Loan Payable	-	-	-	-	-	4,38,865
Warehouse/Security/other Deposit Given	-	-	-	-	1,11,20,000	1,07,70,000
a) Key Managerial Persons:	Ramprasad Poddar Dinesh Poddar Shilpa Poddar					
b) Relatives of Key Managerial Persons:	Nupur Poddar					
c) Companies/ Firms over which the Key Managerial Persons/ Relatives have significant influence or control:	Ashirwad Capital Limited Ashirwad Shelters Private Limited Fatehpur Welfare Trust Ma Passion (India) Private Limited Swasti Vinayaka Realestate Development Private Limited Swasti Vinayaka Synthetics Limited					
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.						
<b>Note 34 First Time Adoption of Ind AS</b>						
<b>Transition to Ind AS</b>						
<p>These are the Company's first standalone financial statements prepared in accordance with Ind AS. The accounting policies set out in note-1 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the company's date of transition). In preparing its opening Ind AS balance sheet, the company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2014 and other relevant provisions of the Act (previous GAAP or Indian GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.</p>						
<b>A. Exemptions and exceptions availed</b>						
Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.						
<b>A.1 Ind AS optional exemptions</b>						
<b>A.1.1 Deemed cost for Property, Plant and Equipment, Intangible Assets and Investment Property.</b>						
Ind AS 101 permits a first time adopter to opt to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for the commissioning liabilities if any. This exemption can also be used for intangible assets						

**NOTES TO THE FINANCIAL STATEMENTS**

covered by Ind AS 38 Intangible Assets. Accordingly, the company has opted to measure all of its property, plant and equipment and intangible assets at its previous GAAP carrying value and use the same as deemed cost in the opening Ind AS balance sheet.

**A.1.2. Designation of previously recognised financial instruments**

Ind AS 101 allows an entity to recognize investments in equity instruments at fair value through other comprehensive income (FVTOCI) through an irrevocable election on the basis of the facts and circumstances at the date of transition to Ind AS. The company has opted to apply this exemption for its investment in quoted equity investments, debentures and mutual funds.

**A.2 Ind AS mandatory exceptions**

**A.2.1 Estimates**

An entity's estimates in accordance with Ind AS at the date of transition shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP

- Investment in equity instruments carried at FVTOCI

Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except where estimates were required by Ind AS and not required by previous GAAP.

**A.2.2 Classification and measurement of financial assets**

a) Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

**b) Reconciliation between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliation from previous GAAP to Ind AS.

**I. Effect of Ind AS adoption on the Balance Sheet.**

(₹ in Lakhs)

Particulars	Effect of Ind AS adoption on the Balance Sheet as 1st April, 2016			Effect of Ind AS adoption on the Balance Sheet as 31st March, 2017		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS	Previous GAAP	Effect of Transition to Ind AS	Ind AS
<b>ASSETS</b>						
<b>1 Non-current Assets</b>						
(a) Property, Plant and Equipment	147.72	-	147.72	157.75	-	157.75
(b) Capital work-in-progress	19.21	-	19.21	0.00	-	0.00
(c) Intangible assets	0.06	-	0.06	0.42	-	0.42
(d) Financial Assets						
(i) Investments	4.81	(0.57)	4.24	19.23	3.55	22.78
(e) Deferred tax assets (net)	41.57	-	41.57	43.17	-	43.17
(f) Other non-current assets	628.44	-	628.44	643.03	-	643.03
<b>2 Current Assets</b>						
(a) Inventories	998.00	-	998.00	1,208.13	-	1,208.13
(b) Financial Assets						
(i) Trade receivables	31.18	-	31.18	42.13	-	42.13
(ii) Cash and cash equivalents	(0.80)	-	(0.80)	6.68	-	6.68
(iii) Bank balances other than(ii) above	5.90	-	5.90	10.29	-	10.29
(iv) Loans	0.09	-	0.09	0.34	-	0.34
(c) Other Current Assets	218.28	-	218.28	152.59	-	152.59
<b>TOTAL ASSETS</b>	<b>2,094.46</b>	<b>(0.57)</b>	<b>2,093.89</b>	<b>2,283.76</b>	<b>3.55</b>	<b>2,287.31</b>
<b>EQUITY AND LIABILITIES</b>						
<b>1 Equity</b>						
(a) Equity Share capital	400.00	-	400.00	400.00	-	400.00
(b) Other Equity	385.95	(0.57)	385.38	545.85	3.55	549.40
<b>2 Non-current Liabilities</b>						
(a) Financial Liabilities						

**SWASTI VINAYAKA ART AND  
HERITAGE CORPORATION LIMITED**

32nd Annual Report 2017-18

**NOTES TO THE FINANCIAL STATEMENTS**

(₹ in Lakhs)

Particulars	Effect of Ind AS adoption on the Balance Sheet as 1st April, 2016			Effect of Ind AS adoption on the Balance Sheet as 31st March, 2017		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS	Previous GAAP	Effect of Transition to Ind AS	Ind AS
(i) Long Term Borrowings	413.28	-	413.28	480.89	-	480.89
(b) Other non-current liabilities	439.22	-	439.22	501.26	-	501.26
<b>3 Current Liabilities</b>						
(a) Financial Liabilities						
(i) Short Term Borrowings	256.86	-	256.86	130.07	-	130.07
(ii) Trade payables	6.45	-	6.45	1.23	-	1.23
(b) Other current liabilities	35.62	-	35.62	53.36	-	53.36
(c) Short Term Provisions	21.09	-	21.09	25.81	-	25.81
(d) Current Tax Liabilities (net)	135.99	-	135.99	145.29	-	145.29
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,094.46</b>	<b>(0.57)</b>	<b>2,093.89</b>	<b>2,283.76</b>	<b>3.55</b>	<b>2,287.31</b>

\* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

**Reconciliation of equity as at transition**

(₹ in Lakhs)

Particulars	April 1, 2016	March 31, 2017
Total equity as per previous GAAP	400	400
Adjustment:	-	-
Effect of measuring investment at FVTOCI	-	-
Deferred Tax impact on Ind AS Adjustment	-	-
Total Adjustment	-	-
<b>Total equity as per Ind AS</b>	<b>400</b>	<b>400</b>

**II. Effect of Ind AS adoption on Profit and Loss for the year ended 31st march, 2017**

(₹ in Lakhs)

Particulars	Effect of Ind AS adoption on the Profit and Loss as on 31st March, 2017		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS
<b>1 Income</b>			
Revenue from operations	883.23	-	883.23
2 Other Income	0.60	-	0.60
<b>3 Total revenue (1+2)</b>	<b>883.83</b>	<b>-</b>	<b>883.83</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	1.71	-	1.71
(b) Purchase of stock-in-trade	46.48	-	46.48
(c) Manufacturing and operating costs	47.66	-	47.66
(d) Changes in inventories of finished goods, work-in-progress and stock in trade	(171.79)	-	(171.79)
(e) Employee benefit expense	161.70	-	161.70
(f) Finance Cost	80.07	-	80.07
(g) Depreciation & amortisation expense	30.60	-	30.60
(h) Other expenses	277.69	-	277.69
<b>Total expenses</b>	<b>474.13</b>	<b>-</b>	<b>474.13</b>
5 Profit before exceptional items and tax (3-4)	409.70	-	409.70
6 Exceptional items	-	-	-
7 Profit/(Loss) before tax (5-6)	409.70	-	409.70
<b>8 Tax expenses</b>			
a) Current Tax	154.66	-	154.66
b) Deferred Tax	(1.59)	-	(1.59)

**NOTES TO THE FINANCIAL STATEMENTS**

(₹ in Lakhs)

Particulars	Effect of Ind AS adoption on the Profit and Loss as on 31st March, 2017		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS
c) Tax in respect of earlier years	-	-	-
<b>Total Tax Expenses</b>	<b>153.07</b>	-	<b>153.07</b>
<b>9 Net Profit for the period (7-8)</b>	<b>256.63</b>	-	<b>256.63</b>
<b>10 Other Comprehensive Income :-</b>			
A) Items that will not be reclassified to profit or loss			
(i) Remeasurement of investment in equity.	-	4.12	-
(ii) Income tax relating to items (i) above.	-	-	-
Total Other Comprehensive Income	-	4.12	-
Other comprehensive Income for the year, net of tax	-	4.12	-
<b>11 Total Comprehensive Income for the period (9+10)</b>	<b>260.75</b>	-	<b>260.75</b>

\* Previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

(₹ in Lakhs)

Particulars	March 31, 2017
Net Profit as per Ind AS	260.75
Other comprehensive Income (Net of Tax)	4.12
Total comprehensive Income for the period	256.63

**Effect of ind AS adoption on Cash Flow for the year ended 31st march, 2017**

(₹ in Lakhs)

Particulars	Effect of Ind AS adoption on the Cash flow as on 31st March, 2017		
	Previous GAAP	Effect of Transition to Ind AS	Ind AS
A. Net cash flow from operating activities	156.68	-	156.68
B. Net cash flow from investing activities	35.60	-	35.60
C. Net cash flow from financing activities	109.20	-	109.20
Net increase in cash equivalents	11.87	-	11.87
Cash and cash equivalents at the beginning of the year	5.10	-	5.10
Cash and cash equivalents at the end of the year	16.97	-	16.97

**Note: Fair valuation of investments**

Under previous GAAP, Investments were accounted at cost. Under IND AS, the company has valued investments at fair value through statement of profit and loss (including FVTOCI). Impact of fair value changes on the date of transition including tax impact thereon is recognized in other equity (opening reserves) as at 1st April, 2016. Changes in fair value thereafter are recognized in statement of profit and loss (including FVTOCI).

**Note 35.** Previous year figures have been reclassified to conform to this year's classification.

As per our report of even date attached

For and on behalf of the Board.

**For Sanjay Raja Jain & Co.**

Chartered Accountants  
FRN - 120132W

**Dinesh Poddar**

Chairman and Managing Director  
[DIN : 00164182]

**Sanjay Raja Jain**

(Partner)  
M.No.108513

**Ramprasad Poddar**

Director  
[DIN : 00163950]

Place : Mumbai

Date : 25th May, 2018.

**Rajesh Poddar**

Managing Director  
[DIN : 00164011]



# SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

**CIN: L51900MH1985PLC036536**

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

## ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING

(to be surrendered at the venue of the Meeting)

**32<sup>nd</sup> Annual General Meeting on Friday, September 28, 2018**

Name and Address of the member \_\_\_\_\_

(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 32<sup>nd</sup> Annual General Meeting of the SwastiVinayaka ArtAnd Heritage Corporation Limited., at Bombay YMCA, 12, Nathalal Parekh Marg, Colaba, Mumbai - 400 001

I certify that I am a registered shareholder/proxy/representative for the registered shareholder(s) of SwastiVinayaka ArtAnd Heritage Corporation Limited.

(Member's /Proxy's/ Representative's Signature)

**Note:**

Members are requested to bring their copies of the Annual Report to the Meeting, since further copies will not be available.

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# SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

**CIN: L51900MH1985PLC036536**

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

## Proxy form

### Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) :	
Registered Address :	
E-mail Id :	
Folio No /DP ID-Client ID :	

Sr. No.	Resolution (s)	Type of Resolution	Vote	
			For	Against
1.	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31 <sup>st</sup> March, 2018	Ordinary		
2.	Declaration of Dividend for the financial year 2017-18	Ordinary		
3.	Appointment of Mrs. Ramprasad Poddar as Director who retires by rotation	Ordinary		
4.	To Appoint M/s. S. P. Jain & Associates, Chartered Accountants as Statutory Auditor of the Company	Ordinary		
5.	To Appoint Mrs. Shilpa Poddar as Whole Time Director	Ordinary		

I/We, being the member(s) of \_\_\_\_\_ shares of the above named Company. Hereby appoint

1. Name :  
Address :  
E-mail Id :  
Signature : \_\_\_\_\_, or failing him
2. Name :  
Address :  
E-mail Id :  
Signature : \_\_\_\_\_, or failing him
3. Name :  
Address :  
E-mail Id :  
Signature : \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of Shareholder .....

Signature of Proxy holder .....

Affix  
Re. One  
Revenue  
Stamps

Signature of the shareholder  
across Revenue Stamp

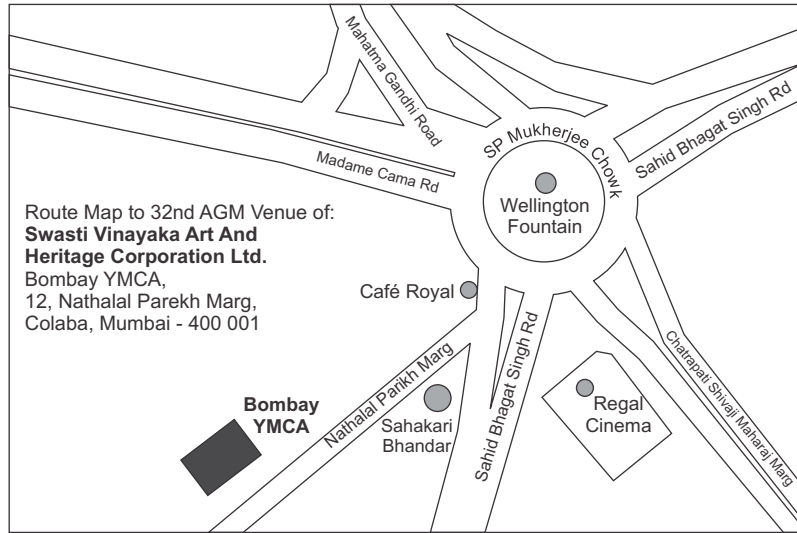
as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32<sup>nd</sup> Annual General Meeting of the Company, to be held on the Friday, 28<sup>th</sup> September, 2018 at 11.30 A.M. at Bombay YMCA, 12, Nathalal Parekh Marg, Colaba, Mumbai - 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Note:**

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the Company.



BOOK-POST



TO,

# SWASTI VINAYAKA ART AND HERITAGE CORPORATION LIMITED

If Undelivered, please return to:

**Swasti Vinayaka Art And Heritage Corporation Limited**

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

Tel : +91 (22) 4344 3555 Fax : +91 (22) 2307 1511

Website: [www.svartcorp.in](http://www.svartcorp.in) / [www.mapassion.co.in](http://www.mapassion.co.in)