

AN ASCENDING
GROWTH OF
WEALTH & TRUST.



Corporate Information

MANAGING DIRECTOR

Shri Sunil Nyati

WHOLE TIME DIRECTOR

Smt. Anita Nyati

DIRECTORS

Shri S.N Maheshwari | Shri Anil Nyati | Shri Vinod Gupta
Shri C.R Doshi | Shri Ramanlal Bhutda | Shri Tarun Kumar Baldua

BANKERS

ICICI Bank & HDFC Bank Ltd.

REGISTERED OFFICE

1st Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai

ADMINISTRATIVE OFFICE

48, Joara Compound, M.Y.H Road, Indore-452001

REGISTRAR & SHARE TRANSFER AGENT

Ankit Consultancy Pvt. Ltd.
60, Electronic Complex, Pardersipura, Indore-452010

AUDITOR

R.S Bansal & Co.
Chartered Accountants, Indore

LISTED AT

Bombay Stock Exchange

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Managing Director's letter to the Stakeholders

Dear Stakeholders,

I am flooded with euphoria as I present the Annual Report for the financial year 2012-13 upon successful completion of 21 years of your company.

Over the last 12 months, your company added more than 20% new clients along with opening of 12 new branches across the country. Thus, we have successfully achieved an active client base of more than 50,000 with a pan India presence in 35 cities with over 43 branches.

Indian economy slowed to a 10-years low of 5% in 2012-13. High fiscal deficit, Rupee depreciation, high inflation and political instability were the reasons to name a few.

Since your company is operating in the Broking industry which directly depends on various external factors like economic policies and reforms, RBI policies, political measures, investments by FIIs etc, the company's performance has been affected by the sluggish performance of these factors. Further, retail sector participation withdrew by about 5-7% in the NSE Segment and 20-22% in the BSE segment which directly affected the company's performance.

Despite all the difficulties, your company managed to perform exceedingly well, though the profit figures are low as compared to the previous financial year. The dip corresponds to the overall reduction in the retail broking business, reductions in margins due to high competition and expansion of the business which includes opening of more than 12 branches across India which hardly managed to achieve breakeven due to the gestation period (which would prove to be highly fruitful in the upcoming years). On

a whole, your company managed to perform better than most of the peers.

I feel excited to tell you that we are in the process of registering ourselves as Category 1 Merchant Banker with SEBI which will be another feather in the company's hat. Furthermore, we are continuously focussing to improve our business model by using new technologies and entering into new areas which are not much explored yet.

Your company has constantly been paying dividend for the last 8 consecutive years and following the same trend your board has proposed a dividend of Rs 1/- per share, i.e., 10% of the face value of the share.

While we maneuver your company on its way towards prosperity, it is imperative to demand relentless perseverance of our management team, unwavering commitment of our employees and unflinching trust and support of our shareholders. Fortunately, we have received these in abundance and we look forward to have all of you aboard with us on this journey to achieve our ultimate objective -

॥ सर्वे भवन्तु धनिनः ॥

With Best Wishes.

SUNIL NYATI
(Managing Director)
Swastika Investmart Limited



Best Emerging Broker- Awarded by BSE (Derivatives)



Appreciation by NSE in Investathon 2012



Best Performer of Swastika: Awarded by NSE CMD Ms. Chitra R.



Memory of Core Group Meeting

The Year that was



Recreational Activities



DIRECTORS' REPORT

Dear Members,
Swastika Investmart Ltd.

Your Directors have immense pleasure in presenting the 21st Annual Report of the Company and the Audited Accounts for the financial year ended 31st March, 2013.

FINANCIAL HIGHLIGHTS

(Amount in ₹ Lacs)

PARTICULARS	31.03.2013	31.03.2012
Total Income	1322.47	1341.05
Profit before exceptional and extraordinary items and tax	(34.19)	88.41
Exceptional Items	37.01	1.49
Profit before extraordinary items and tax	2.82	89.90
Less : Extraordinary Items	-	-
Profit before tax	2.82	89.90
Less : Provision for Taxation		
Current tax	0.57	36.25
Deferred Tax	(4.59)	(7.53)
Profit for the Year	6.84	61.18
Amount Transferred to General Reserve	-	50.00
Earning per Share		
Basic	0.23	2.07
Dilute	0.23	2.07

SUBSIDIARY COMPANIES AND CONSOLIDATION OF ACCOUNTS

The Ministry of Corporate Affairs has vide its circular dated 8th February 2011, had granted general exemption to companies from attaching to their balance sheet, the accounts and other documents of their subsidiary companies, subject to fulfillment of specified conditions. In view of this general exemption and being in compliance with the conditions thereof, the accounts and other documents of the company's subsidiaries are not attached to the Annual report of the company. The consolidated financial statement of the Company, which includes the financial information of all its subsidiaries (i.e. Swastika Commodities Private Limited, Swastika Fin-mart Private Limited, Swastika Insurance Services Limited) are forming part of this annual report.

The Annual accounts and financial statements of the Subsidiary companies of your company and related detailed information shall be made available to members on request and are open for inspection at the Registered office of your company.

DIVIDEND

To maintain a trend of dividend, your Directors are pleased to recommend a dividend of 10% on the equity shares i.e. ₹ 1/- per Equity Share of face value Rs.10/- subject to Approval of the members in ensuing Annual General Meeting .

DIRECTORS

In accordance with the provision of the Companies Act, 1956 and as per Article 128 of Articles of Association of the Company Mr. Vinod Kumar Gupta and Mr. Tarun Kumar Baldua Directors of the Company, retire by rotation and being eligible offer themselves for reappointment in ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to the Director's Responsibility Statement, your directors hereby confirm:

- i) That in the preparation of the annual accounts for the financial year ended 31st March 2013; the applicable accounting standards have been followed ;
- ii) That they have selected such accounting policies and applied them consistently and made judgments, and estimate 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 financial year and of the profit of the Company for the year under review;
- iii) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act, for safeguarding the assets of the Company and for preventing and detecting Fraud and other irregularities.
- iv) That they have prepared the annual accounts on a going concern basis.

PUBLIC DEPOSITS

Your Company has not accepted any Public deposit within the meaning of section 58A of the Companies Act 1956, read with the Companies (Acceptance of Deposit) Rules, 1975

COMPANIES RULES 1988 (DISCLOSURE OF PARTICULARS IN THE REPORTS OF BOARD OF DIRECTORS)

As the Company is not engaged in any manufacturing activities, hence provisions of section 217(1)(e) of the Companies Act, 1956 read with the Companies Rules, 1988 are not applicable to the Company. Further there was neither inflow nor outflow of foreign exchange during the year.

PARTICULARS OF EMPLOYEES

The Company did not have any employee, during the year drawing remuneration attracting the provision of section 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of employees) Rule 1975. The company continued to have cordial and harmonious relations with employees.

HUMAN RESOURCES DEVELOPMENT

Your Company believes that nurturing and development of human capital is of key importance for its operations, The HR policies and procedures of your Company are geared up towards this objective. In totality our employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market condition.

AUDITORS

The auditors, M/s R.S. Bansal & Company, Chartered Accountants, Indore retire and being eligible offers themselves for re-appointment. Comments of the Auditors in their report and notes forming part of the Accounts are self-explanatory and need no comments.

AUDITORS REPORT

The auditors report to the shareholders on the Accounts of the Company for the financial year 31st March 2013 does not contain any qualification or adverse remark.

SECRETARIAL COMPLIANCE CERTIFICATE

As per the requirement of provision of section 383A of the Companies Act, 1956, the company appointed M/s. L.N.Joshi & Co., Company Secretaries and obtained a Secretarial Compliance Certificate which is annexed herewith.

CODE OF CONDUCT

The company has laid-down a code of conduct for all Board members and senior management of the Company. All the Board members and senior management personnel have affirmed compliance with the code of conduct. The code of conduct has posted on website of the company i.e www.swastika.co.in

CORPORATE GOVERNANCE

A separate section titled "Corporate Governance" including a certificate from the Auditors of the Company confirming compliance of the conditions of the Corporate Governance as stipulated under clause 49 of the Listing Agreement and also the Management Discussion and Analysis Report and CEO certification are annexed hereto and form part of the report.

AUDIT COMMITTEE

Under the provisions of Companies Act, 1956 and Listing Agreement with the Stock Exchanges a Audit Committee Comprises of CA Vinod Gupta, Shri C.R. Doshi and , Shri R.L. Bhutda.

DEPOSITORY SYSTEM

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). In view of the numerous advantage offered by the Depository System, members are requested to avail of the facility of Dematerialization of the Company's shares on either of the Depositories mentioned as aforesaid.

INSURANCE

The Company's assets are adequately insured against the loss of fire and other risk, as considered necessary by the Management from time to time. The Company has also taken insurance cover for any claims /losses arising out of its core business of security broking.

GREEN INITIATIVES IN THE CORPORATE GOVERNANCE

In order to reduce cost of posting and speedy delivery of documents, service of documents through electronic mode has been permitted under section 53 of the Companies Act, 1956 in place of service of document under certificate of posting. Similarly, to reduce the consumption of papers and speedy secure delivery, service of copies of Balance Sheets and Auditors Report etc., to the members of the company as required under section 219 of the Companies Act, 1956 has been allowed to be served through electronic mode by capturing their e-mail addresses available with the depositories or by obtaining directly from the shareholders.

LISTING OF THE SHARES

Equity shares of the company are listed on Bombay Stock Exchange Ltd., Mumbai and company has paid annual listing fee for financial year 2013-2014.

ACKNOWLEDGEMENT

The Directors place on record their gratitude to the government, regulators, stock exchanges, other statutory bodies, customers, business partners and the company's bankers for the assistance, co-operation and encouragement they extended to the company. The Directors also place on record their sincere appreciation of the employees for their continuing support and dedicated efforts made in ensuring and excellent all-round operational performance. Last but not the least; the directors would like to thank valuable shareholders for their co-operation, support and contribution. We look forward to their continued support and co-operation in the future.

For & on behalf of the Board of Directors

Place : Indore
Date : 14.05.2013

Sunil Nyati	Anita Nyati
Managing Director	Whole Time Director

REPORT ON CORPORATE GOVERNANCE

A report of the financial year ended 31st march, 2013 on the compliance by the company with the corporate governance requirement under clause 49 of the Listing agreement, is furnished below:

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is the combination of voluntary practices and compliance with laws and regulations leading to effective control and management of the organization. Good corporate governance leads to long term shareholders value and enhances interest of all stakeholders. It brings into focus the fiduciary and trusteeship role of the Board of align and direct the actions of the organization towards creating wealth and shareholder value.

The company's essential character is shaped by the value of transparency, customer satisfaction, integrity, professionalism and accountability. The Company continuously endeavors to improve on these aspects. The Board views corporate governance in its widest sense. The main objective is to create and adhere to corporate culture of integrity and consciousness, transparency and openness. Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target. The Company's philosophy on corporate governance is guided by the company's philosophy of knowledge, action and care.

A) BOARD OF DIRECTORS

- i) The Company's policy is to maintain an optimum combination of Executive and non Executive Independent directors. The Composition of your Company's Board, which comprises of eight directors, is given in the table below and is in conformity with clause 49 of the listing agreement and with stock exchange. As will be seen from the following table, none of the directors hold directorship in more than 15 public limited company, nor is any of them a member of more than ten committees of the prescribed nature or holds chairmanship of more than five such committee across all public limited companies in which they are directors. The Board does not have any nominee director representing any institution.

Name of Director	Category	No. of Board Meetings Attended	Other Directorship		Committee Position		Whether Attended Last AGM held on 14.09.2012
			Chairman	Member	Chairman	Member	
Sunil Nyati	MD	11	-	3	-	-	Yes
S.N. Maheshwari	NED	11	-	-	-	-	No
Anil Nyati	NED	05	-	2	-	-	No
Vinod Gupta	ID	04	-	-	3	3	No
C.R. Doshi	ID	04	-	-	-	3	No
Anita Nyati	WTD	11	-	1	-	-	Yes
Raman Lal Bhutda	ID	04	-	-	-	3	No
Tarun Kumar Baldua	ID	04	-	-	-	-	No

MD = Managing Director, NED = Non Executive Director, ID = Independent Director, WTD= Whole Time Director

Note: This includes directorship in public limited companies and subsidiary of public limited companies and excludes directorship in private Limited companies, overseas companies, companies under section 25 of the Companies Act, 1956 and alternate directorship.

During the year 2012-13 the Board met 11 (Eleven) times on the following dates, namely:

13.04.2012	25.04.2012	28.05.2012	05.06.2012
21.07.2012	10.08.2012	18.09.2012	30.10.2012
03.12.2012	31.01.2013	02.03.2013	

ii) Inter-se Relationship Among Directors

Mr Sunil Nyati and Mrs Anita Nyati are husband and wife, Mr Sunil Nyati and Mr Anil Nyati are brother and Mrs anita Nyati is daughter of Shri S.N Maheshwari. Except for this, there are no inter-se relationship among the directors.

iii) Role of Independent Director

Independent Directors play a key role in the decision making process of the Board and in shaping various strategic initiatives of the Company. The Independent directors are committed to act in what they believe to be in the best interest of the Company and its stakeholders. The independent Directors are professionals, with expertise and experience in general corporate management, public policy, finance, financial services and other allied fields. The Company benefits immensely from their inputs in achieving its strategic direction.

iv) Shareholding of Non-Executive Directors

The Number of equity shares held by Non-Executive Directors as on 31.03.2013 were as under:

Name of Director	No. of shares
S.N. Maheshwari	44900
Anil Nyati	154400
Vinod Gupta	-
C.R. Doshi	-
Raman Lal Bhutda	2500
Tarun Kumar Baldua	-

v) Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as per Clause 49(1) (A) of the Listing Agreement

Name	Vinod Gupta	Tarun Kumar Baldua
Date of Birth	05/02/1971	18/09/1971
Date of Appointment	31/03/1998	20/08/2008
Qualification	Chartered Accountant by profession	Chartered Accountant by profession
Expertise in specific functional area	Vast experience in Finance and Taxation	Vast experience in Account Finance and Taxation
Directorship held in other Companies	Drishti Multi Commodity Private Limited	N.A
Number of shares held in the Company	N.A	N.A
Relationship	No relationship with any other director	No relationship with any other director