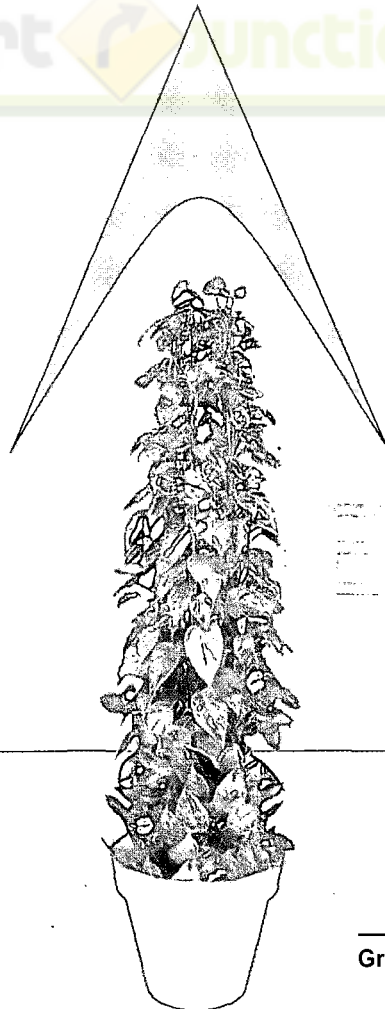




Report  Junction.com

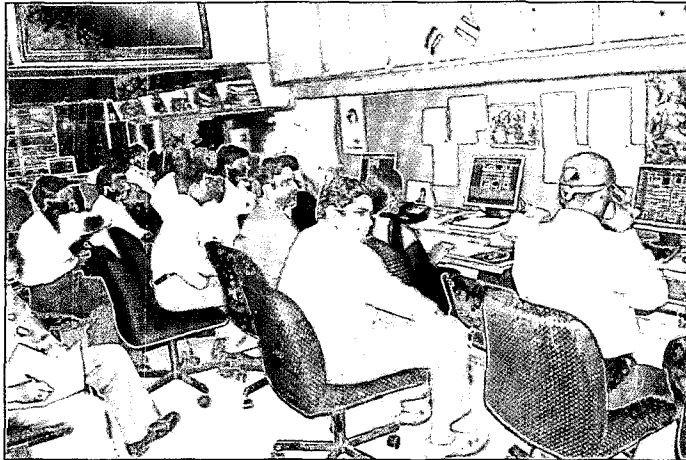


ENCLOSURE
7/3/07

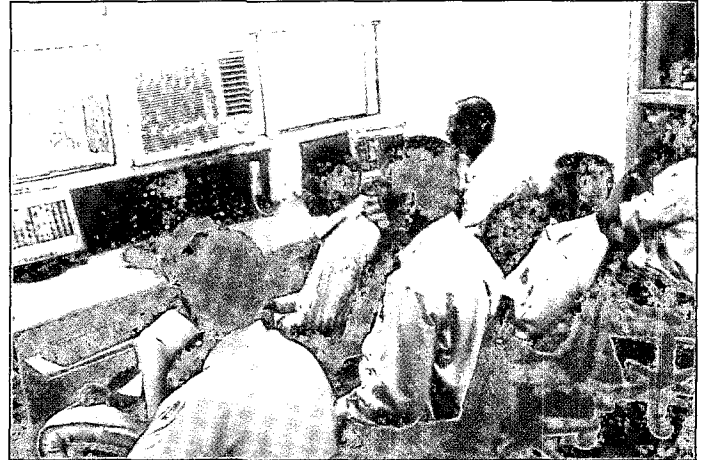
Swastika
THE WEALTH MAKERS

Swastika Investmart Limited

Group Members : NSE & BSE, NCDEX, MCX DP : CDSL



Equities & Derivatives Trading



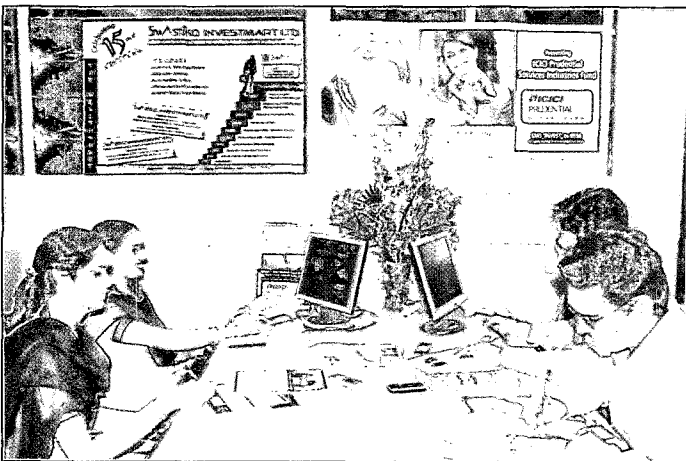
Commodity Trading



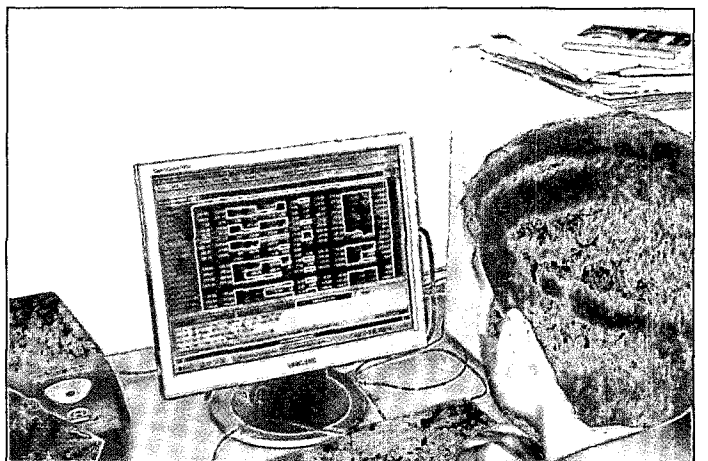
Depository Services



Investment Research



Mutual Fund & IPO Investments



Internet Based Online Trading

Director's Statement



Dear Shareholders,

It is great pleasure to present annual report of the Company for the financial year 2006-07, also the year when your company has completed 15 successful years. Each year has a milestone which tells about the company, a journey started in the year 1992 with a team of three persons to more than 150 persons.

Swastika Fin - Lease Ltd. to Swastika Investmart Ltd.:

Swastika Fin-Lease Ltd. was incorporated in 1992 with its registered office at Mumbai and administrative Office at Indore (M.P.) Till 1998 the company was engaged in Higher Purchase and Lease Finance business. The company has taken the Corporate Membership of The National Stock Exchange of India Ltd. in the year 2000. The Company has acquired the Membership of The Stock Exchange Mumbai (BSE) in the year 2004, and got itself registered with CDSL in the year 2006 as Depository Participant for depository activities.

I feel honour to share with you that the year 2006-07 has turned out to be a landmark year of achievements that will be cherished forever and valued by all of us.

Achievements during the year have been embellished by :

- Acquired membership of two premier Commodities Exchange of India, NCDEX and MCX through its wholly owned subsidiary company i.e. Swastika Commodities P. Ltd.
- Depository Activated with more than 2000 clients,
- Mutual Fund activity has been started,
- No. of Branches 18, 20% growth this year,
- No. of clients more than 10000, 47% growth this year,
- No. of Business associates more than 100, 15% growth this year
- Annual turnover in all the segment more than Rs.20.000 crores, 53% annual growth,
- Third consecutive year of 10% dividend,
- Now all investmart facilities are available under Swastika's umbrella, hence, Swastika Fin-Lease Ltd. became Swastika Investmart Ltd. (Name changed)

Looking Ahead :

Over the years company has followed a consistent growth path and is established as one of the leading broking houses of the country with the support and faith of clients, investors, employees and associates.

"Faith makes : The uplook good, the outlook bright and the future glorious."

Reliability will be our brand equity and strategic tool for further success in the future. Our goal is to become a major 'wealth makers' company. To achieve this, the company is in process to start following activities :

- Institutional Broking-Empanelment with Banks and FIs,
- Merchant Banking Services,
- Equity Placement & Venture Capital Funding,
- Financing & Loans Syndication,
- Portfolio Management Services (PMS).

To conclude, I am grateful for the continuing support of my dedicated team, my colleagues, clients, business associates, shareholders and members of the Board. It is collective efforts and support of each member of Swastika to make its profitable growth.

Thank you,

Sunil Nyati

Managing Director

VISION

"To be the prominent destination to enhance the wealth of it's Clients, Investors, Associates and Employees."

PHILOSOPHY

To provide best value for money to clients through personalised service, innovative products, best trading and investment strategies and state of art technologies.

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Board of Directors

Managing Director.
Sunil Nyati

Executive Director
Anil C. Nyati

Directors
S. N. Maheshwari
Vinod Gupta
C.R. Doshi
Parasmal Deshlahara

Auditors

M. B. Ladha & Co.
Chartered Accountants
MUMBAI

Bankers

ICICI Bank Ltd.
IDBI Bank Ltd.

Regd. Office

29, Madhukunj No.1, Juhu Cross Lane,
Andheri (W), MUMBAI - 400 058

Admn. Office

48, Jaora Compound, M.Y.H. Road,
INDORE - 452 001
E-Mail : info@swastika.co.in
Website : www.swastikaonline.com

Registrar & Share Transfer Agent

Ankit Consultancy Pvt. Ltd.
2nd Floor, Alankar Point,
Geeta Bhawan Chouraha,
A.B. Road, INDORE - 452 001

Listed At

- BOMBAY STOCK EXCHANGE LTD.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the fifteenth Annual General Meeting of **SWASTIKA INVESTMART LIMITED** (Formerly: Swastika Fin-Lease Limited) will be held on Saturday, the 29th day of September, 2007 at 2.00 p.m., at the Registered Office of the Company, at 29, Madhukunj No.1, Andheri (W), Mumbai – 400 058, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2007 and the Profit & Loss Account of the company for the year ended on the same date and the Reports of the Directors and the Auditors thereon.
2. To declare a dividend for the financial year ended 31st March, 2007.
3. To appoint a director in place of Mr. Anil Nyati, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. S.N. Maheswari, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint the Auditors to hold office from conclusion of this meeting until the conclusion of next Annual General Meeting of Company and fix their remuneration.

AS SPECIAL BUSINESS

6. To, consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

“RESOLVED THAT pursuant to the provisions of sections 198,269,309,310,311, and other applicable provisions if any, and in terms of schedule XIII of the Companies Act, 1956 as amended up to date, the consent of the Company be and is hereby accorded for increase in the remuneration of Mr. Sunil Nyati, Managing Director of the Company from Rs. 100000/- per month to Rs. 2,00,000 per month on and with effect from 1st September, 2007, as set out hereunder:

- a) Salary: Rs. 2,00,000/- (Rupees Two Lacs only) per month and other terms and conditions will remain same.
- b) Commission: A commission based on the net profit of the company as may be determined by the Board, subject to overall ceiling laid down in section 198 and 309 of the Companies Act, 1956 and provided, however, the commission will be paid on pro-rata basis in the event of earlier cessation or termination of appointment.
- c) Perquisites: As detailed in **Annexure to the Explanatory Statement**, the annual value of which will be limited to a ceiling of 100% of annual salary.

“RESOLVED FURTHER that where in any financial year the Company has no profits, or its profits are inadequate during the term of office of Mr. Sunil Nyati, the remuneration aforesaid shall be minimum remuneration.”

“RESOLVED FURTHER that the Board of Directors be and are hereby authorized to vary, alter, increase or enhance / change from time to time, the terms and conditions of appointment and remuneration of Mr. Sunil Nyati subject to the limit laid down under the applicable provisions of the Companies Act, 1956 and subject to the requisite approvals, if any, being obtained”

“RESOLVED FURTHER that for the purpose of giving effect to this resolution, the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper.”

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a Member of the Company. The proxies in order to be valid, the proxy forms must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. The relative Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956 in respect of Special Business as set out above is annexed hereto.
3. The Register of Members and the Transfer Books of the Company will remain closed from Saturday, the 22nd September 2007 to Saturday 29th September 2007 (both days inclusive) for the purpose of payment of dividend to those members whose name stand on the Register of Members as on 29th September, 2007. The Dividend in respect of equity shares held in electronic form will be payable to the beneficial owner of the equity shares as at the end of business hours on 21st September, 2007, as per the details furnished by the depositories for this purpose.

4. Members are requested to send their queries, if any, at least 7 days in advance so that the information can be made available at the meeting and members are requested to bring their copy of the Annual Report to the meeting.
5. Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to fill and send form 2B (Copy of which will be made available on request).
6. In all correspondence with the Company, members are requested to quote their Account/Folio numbers and in case their shares are held in dematerialized form, they must quote their client ID number and their DP ID number.
7. The Company has designated an exclusive email ID secretarial@swastika.co.in, which would enable the members to post their grievances and monitor its redressed. Any member having any grievance may post the same to the said Email address for its quick redressal.
8. Members attending the meeting are requested to bring with them the Attendance slip attached to the Annual Report duly filled in and signed and handover the same at the entrance of the hall.

Place : Indore,
 Date : August , 20, 2007

Registered Office: 29, Madhukunj No.1,
 Andheri (W),
 Mumbai – 400 058

By order of the Board of Directors
 For Swastika Investmart Limited

Sunil Nyati
 (Managing Director)

Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956

Item no. 6

Mr. Sunil Nyati is science graduate and one of the promoter and founders of the Company. He carries a vision of growth of the Company and has made invaluable contributions to the success and performance of the Company over the years. Looking to his total devotion and resultant progress made by the Company under his dynamic leadership skills, it is proposed to increase his remuneration from Rs. 1 Lac to Rs. 2 Lacs. For the same remuneration committee and Board of Directors have accorded their approval subject to approval of the members.

The proposed remuneration will be in the limit prescribed for the managerial person in Schedule XIII of the Companies Act, 1956 amended up to date.

Except Mr. Sunil Nyati and Mr. Anil Nyati and Mr. S.N. Maheshwari, no other Director is concerned or interested in the proposed resolution. The contents of resolution along with explanatory statement and details contained therein shall be deemed to be abstract of the terms and conditions of change in remuneration of Mr. Sunil Nyati under section 302 of the Companies Act, 1956 and memorandum of interest in that behalf.

ANNEXURE TO THE EXPLANATORY STATEMENT

Perquisites shall be restricted to an amount equal to annual salary as detailed in categories 'A', 'B'; and 'C' :

Category 'A'

1. **Housing:** House rent allowance @ 50% of the salary. The expenditure incurred by the Company on gas, electricity, water and furnishing shall be valued as per the Income – Tax Rules, 1962 which shall be subject to a ceiling of 5% of salary.

2. **Medical Reimbursement:** Medical expenses incurred by him and his family shall be reimbursed to him subject to a ceiling of one months salary in a year or three months salary over a period of three years.
3. **Leave Travel Concession:** For him and his family, ones in a year, incurred in accordance with the Rule specified by the Company.
4. **Club Fees:** Fees of club subject to a maximum of two clubs. This will not include admission and life membership fees.
5. **Personal Accident Insurance:** Benefit of a personal accident insurance of an amount, the premium of which does not exceed Rs. 4,000/- per annum.

Explanation: For the purpose of Category 'A' above 'Family' means the spouse, dependent children and dependent parents of the Managing Director.

Category 'B'

1. **Provident Fund etc.:** Contribution to Provident Fund and Superannuation Fund or Annuity Fund and Leave to be in accordance with the practice, and regulations in force, from time to time. The contribution to Provident Fund and Superannuation Fund or Annuity Fund will not be included in the computation of the ceiling of the perquisites to the extent these, either singly or put together, are not taxable under the Income-tax Act 1961.
2. **Gratuity:** Not exceeding half month's salary for every completed year of service.

Category 'C'

Provision of car for use on Company's business and telephone at residence:

These will not be considered as perquisites. However, personal long distance calls and use of the car for private purpose shall be billed by the Company to the Managing Director.

The Additional disclosures mentioned in Para 1(B)(iv) of Section II of Part II of Schedule XIII to the Companies Act, 1956 is as under:

(I) GENERAL INFORMATION :				
1	Nature of Industry		Stock Broking and Investment	
2	Date or expected date of Commencement of Commercial Production		The company is not engaged in any manufacturing activities and is engaged in Stocking broking activities.	
3	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the Prospectus.		Not Applicable	
4	Financial Performance based on given indicators		As given below (Rs. in Lacs)	
		2003-04	2004-05	2005-06
	Turnover	258.54	371.75	492.59
	Profit/Loss before tax	39.14	122.71	146.26
	Profit/Loss after tax	25.58	101.71	101.13
	Net Worth	369.08	437.93	499.87
5	Export performance and net Foreign Exchange collaborations.		Not Applicable	
	Export of Goods (FOB basis)	2003-04 NA	2004-05 NA	2005-06 NA
6	Foreign investments or collaborators, if any		The company has no foreign investments or foreign collaborations. The company has not made any foreign investments or has any collaboration overseas.	

(II) INFORMATION ABOUT THE APPOINTEE

1	Name of the Appointee	Mr. Sunil Nyati (Managing Director)
2	Background details	<p>Mr. Sunil is science graduate and started his career as Managing Partner with M/s Swastika Agencies, Kota (Raj)., an authorized dealer of Kinetic Vehicles and looked after Marketing, Sales, dealership development, Hire Purchases and Lease Finance activities for a period of 8 years. In the year 1992 he promoted this company with the object of Hire purchase and Lease finance and also involved in various activities like Financial Advisory Services, Merchant Banking, Capital market Operations.</p> <p>The company has diversified in the field of Stock Broking, as Mr. Nyati had visualized the growth opportunity in the field of Stock Markets in the year of 1999, and the company has took the Corporate membership of NSE and BSE due to rich experience of Mr. Nyati.</p> <p>Swastika has been on a growth path under his able leadership and rich experience. His values of integrity and transparency have been inculcated in all the employees. He always innovates new ideas, adapt latest technology so as to provide quality and unbiased investment solution to the investors.</p>
3	Past remuneration	Rs. 1,00,000 per month
4	Recognition or awards	None
5	Job profile and his suitability	<p>Mr. Sunil Nyati a Managing Director as well as promoter Director of the company is responsible for overall management, general management, finance. The job profile essentially requires a leader who is innovative, self-motivated and result oriented.</p> <p>Mr. Sunil Nyati has experience in conceptualizing; planning, directing and implementing finance business and financial strategies and translate them in terms of business growth.</p>
6	Remuneration proposed	Rs. 2,00,000 per month
7	Comparative remuneration profile with respect to industry, size of the company profile of the post and Person (in case of expatriates the relevant details would be w.r.t. the country of origin.)	Though the exact latest data of the comparative profile with remuneration of the CEO/MD/Key Personnel of Financial Services Companies is not available, however generally the CEOs/MDs/Key Managerial personnel of Stock broking Companies of comparable status are generally receiving remuneration above Rs.30 lacs per annum.
8	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel if any.	Mr. Sunil Nyati is a Promoter Director. He is related to Mr. Anil Nyati, Executive Director and Mr. S.N. Maheshwari, Director of the Company except form this he does not have any other pecuniary relationship with any of the director of the Company.

(III) OTHER INFORMATION

1	Reason of loss or inadequate profits	Loss on account of sudden crash in the stock indices and also on account of loss in the Futures & Options segment due to high Intra-day volatility in the stock market during May'2006
2	Expected increase in productivity and profits in measurable terms.	<p>The growth in finance market specially stock market boom in India and other countries.</p> <p>The Company has already shown growth in the year 2004-2005 and 2005-2006 in comparison to previous years and company is continuing paying dividend since last three years.</p> <p>Increase in net worth of the Company.</p> <p>Enhancement of value of membership of BSE and NSE.</p>

(IV) DISCLOSURES

	<ul style="list-style-type: none"> Remuneration package payable to Mr. Sunil Nyati, Managing Director of the company has been disclosed in the commencing paragraph of this Explanatory Statement. All elements of remuneration package to all directors is disclosed in the Corporate Governance Report. The particulars set out hereinabove may be treated as the abstract of the terms and conditions for increase in remuneration of Mr. Sunil Nyati Managing Director of the Company, to be sent to the shareholders under section 302 of the Companies Act, 1956. None of the Directors except Mr. Sunil Nyati, Mr. Anil Nyati, Mr. S.N. Maheshwari is concerned or interested in this resolution. The Directors recommend the resolution for approval by the members. Stock Option Details: NA
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Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting—Clause 49 (91) (A) of the Listing Agreement.

Particulars	Mr. Anil Nyati	Mr. S.N. Maheshwari
Date of Birth	05/08/1960	23/02/1938
Date of Appointment	31/03/1998	03/06/1992
Qualification Functional area	B.Com. Finance	B.Com.
Expertise in specific Companies	9 years in stock market	15 Years in administration
Directorship held in other	Swastika Commodities Pvt. Ltd.	N.A.
Number of shares held in the company	154400	44900

Place : Indore,

Date : August , 20, 2007

By order of the Board of Directors

For **Swastika Investmart Limited**

Registered Office: 29, Madhukunj No.1,
 Andheri (W),
 Mumbai – 400 058

Sunil Nyati
 (Managing Director)

DIRECTORS' REPORT

Dear Members,

Your Directors have immense pleasure in presenting the 15th Annual Report of the Company and the Audited Accounts for the financial year ended 31st March, 2007.

FINANCIAL HIGHLIGHTS

(Amount in Rs. Lacs.)

PARTICULARS

	31.03.2007	31.03.2006
Total Income	615.36	492.59
Gross Profit	191.47	179.20
Less: Depreciation	42.73	26.95
Profit before Taxation	148.74	152.25
Less : Provision for Taxation	(28.86)	(37.64)
Less : Deferred Tax Liabilities	(14.79)	(7.49)
Less : STT not Utilised	(46.85)	(5.98)
Net Profit	58.24	101.13
Add/(Less) : Prior Period Adjustments	0.83	(7.27)
Add : Balance brought forward from Last Year	3.86	8.36
Amount available for appropriation	62.93	102.23
Appropriations:		
Transfer to General Reserve	20.00	65.00
Dividend @ 10%	29.30	29.27
Dividend Distribution Tax	4.98	4.10
Surplus carried to Balance Sheet	8.65	3.86

FINANCIAL REVIEW

For a successive fourth year in line, your company has achieved a high performance with a 25% growth in revenue of Rs. 615 Lacs compared to 492 Lacs in the previous year. Brokerage income also increased by 27% from Rs.365 Lacs in the Previous Year to Rs. 463 Lacs in the current Year .

Company's performance over the years on various financial parameters

