

16th ANNUAL REPORT 2007-08

Nurturing Growth
Report  junction.com

swastika investmart
THE WEALTH MAKERS

swastika investmart

THE WEALTH MAKERS

VISION

To be the prominent destination to enhance the Prosperity of it's Clients, Investors, Associates and Employees, always and all ways.

MISSION

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

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swastika investmart

THE WEALTH MAKERS

Growth Story

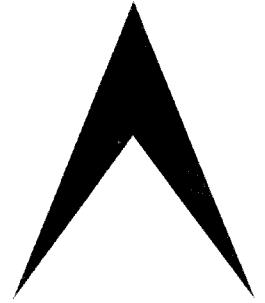
1992	:	Year of Incorporation 1993 : Actively involved in financing and leasing business
1995	:	Successfully launched IPO and listed on BSE.
2000	:	Acquired Membership of NSE-Derivative Segment
2002	:	Acquired Membership of NSE- Future & Option Segment.
2003	:	Setting up of Research Desk.
2004	:	Acquired Membership of BSE
2005	:	Company declared Dividend 10 %, first time. Centralized Back Office Software successfully implemented.
2006	:	Acquired Membership of CDSL. Launched Internet Trading platform. Acquired Membership of NCDEX & MCX Setting up of Mutual Fund Desk.
2007	:	Name of Company changed to Swastika Invest mart Limited
2008	:	Capital Market Institute..... and Stepping for Bright Future.

VALUES

- ☐ Integrity and transparency in all transactions.
- ☐ Providing investment solutions based on quality and unbiased research.
- ☐ Providing personalized services to all investors and business associates.
- ☐ Achieving success through client's growth.

AT SWASTIKA WE BELIEVE

Our services combined with our investors trust will lead to the prosperous world.



MANAGING DIRECTOR'S MESSAGE



SUNIL NYATI
Managing Director
Swastika Investmart Limited

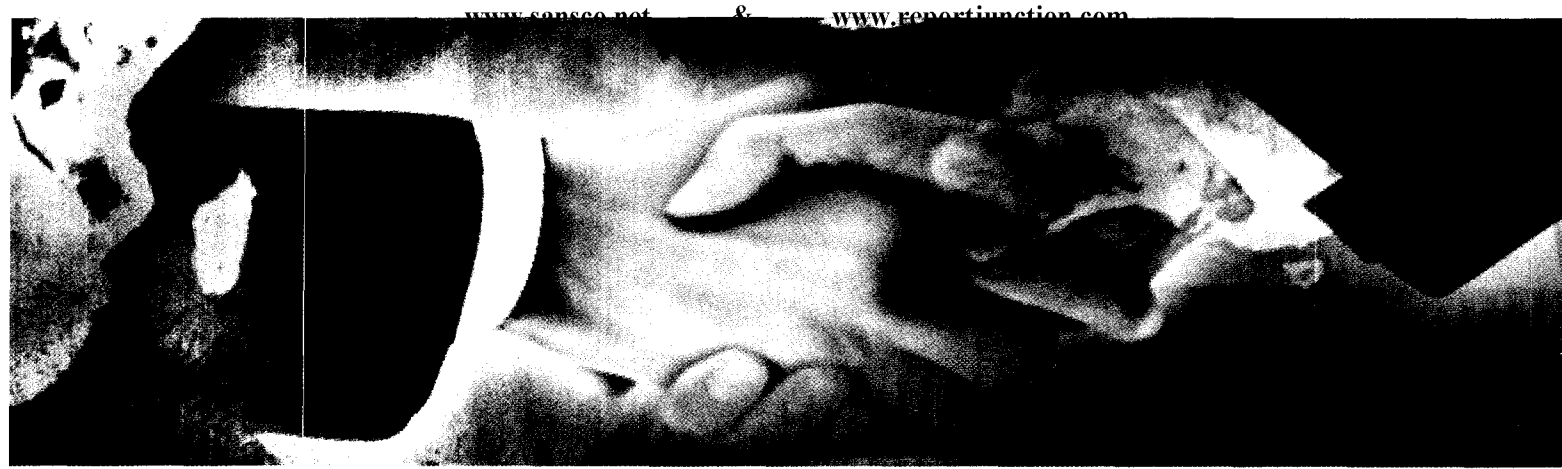
Dear Shareholders,

It gives me immense pleasure in sharing with you the highlights of another successive year of significant achievements. We are a year ahead and I am pleased to report that in the year under review, we have accelerated our growth momentum, while achieving higher profitability.

We all are aware of the widespread fear of world going through tough times on the economic front. The impact of global slowdown on India is slowly being felt in the form of surging inflation, rising

domestic interest rates, lowering stock market indices, sharp increase in fuel and raw material prices, high food and commodity prices. However, the consensus and the fact still remains that our economy will grow at a minimum of 7%-8% in the short term and at a quite higher rate in the medium term, in terms of GDP (Gross Domestic Product) growth.

Our industry, financial Service industry is not untouched by these national and international



factors. Though dark clouds paint a gloomy picture for the world economy, companies with clear focus on quality and fulfillment of commitments will emerge as the winners and the future leaders.

Fiscal 2008 was an outstanding year for Swastika. We achieved record revenues and record net income. Consolidated revenues grew 94%, to Rs. 1136 Lacs up from Rs. 585 Lacs in fiscal 2007. Our net income also grew from Rs. 58 Lacs in the last fiscal to Rs. 385 Lacs in the year under review. Our consolidated earnings per share have touched the figure of 12.90 as was 1.99 in the last year. This year also proved to be a benchmark for our subsidiary company, Swastika Commodities Private Limited, a member of MCDEX and NCX, as its first profit making year. We expect manifold growth in this sector in the future.

While we continue to strengthen our existing relationships, efforts to cultivate new customers have also gained momentum. At the end of Fiscal 2008, Swastika had more than 17000 registered clients, around 70% more than last years figure, 225 associates, which were around 100 at the end of previous year and 28 branches, with an increase of 56%. We also offer Depository Services and the number of accounts has crossed the 10000 mark.

During the year, foundation of 'Capital Market Gurukul', an Educational and Training Institute have been laid down to provide education and training in the field of Financial Markets and help investors and

students to excel in this industry.

In a world where time and trust are at premium, the customer finds immense comfort in a One-Firm approach. We are well-positioned to meet our customer's diverse investment needs. We are further committed to create an ethos of trust across all our constituents, top best understand their needs, to deliver customized pragmatic solutions across multiple platforms and to be a single window for every financial service in the customers' world. For the purpose, the company plans to expand geographically and sectorally. The new feathers to be added to the cap includes Portfolio Management Services and Foreign Currency Dealings.

Today we have right processes, right products, right management, right people, right technology and above all exemplary work ethics. This makes us a force to reckon with in the coming years. Given its consistently superlative performance, I am confident of progress of the company in meeting and surmounting various challenges in front of it.

Finally, I wish to express my sincere gratitude towards the support received from all the members of Swastika family, clients, bankers, business associates and above all you-the shareholders for having reposed your confidence in the company.

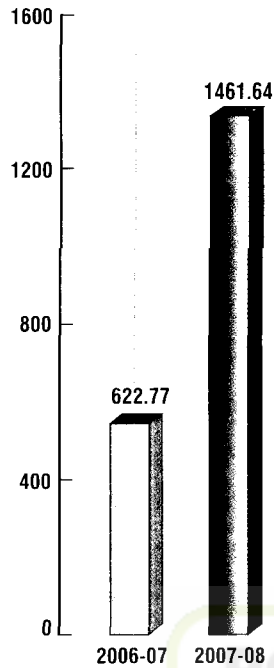
Your's Sincerely

Sunil Nyati
Managing Director

CONSOLIDATED FINANCIAL HIGHLIGHTS 2007-2008

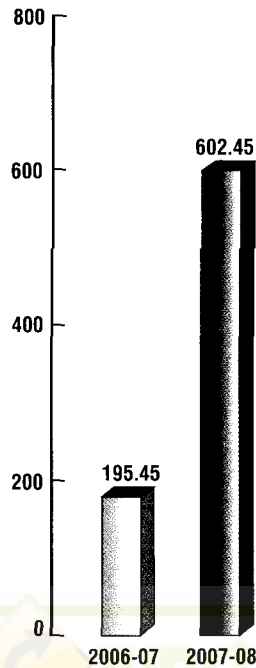
Total Income

(Rs. in Lacs)



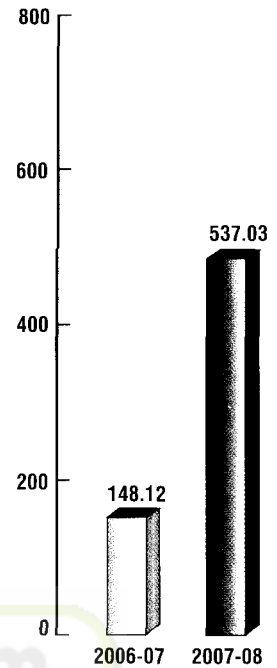
Earning Before Interest
Depreciation & Tax

(Rs. in Lacs)



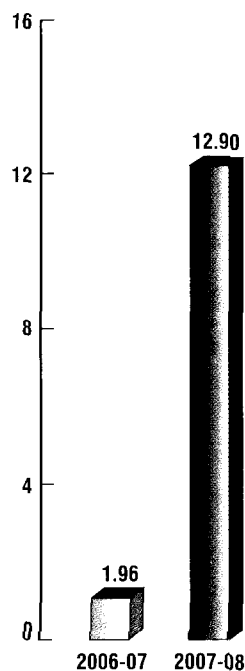
Profit After Tax

(Rs. in Lacs)



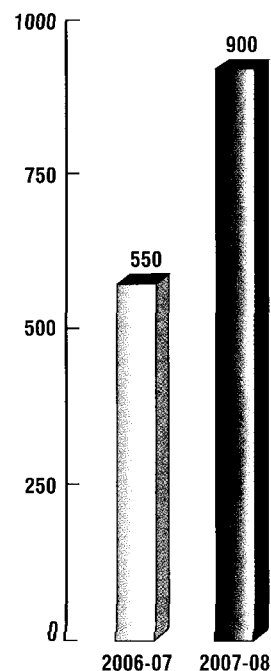
Earning Per Share

(Rs. in Lacs)



Net Worth

(Rs. in Lacs)




Board of Directors
Managing Director

Sunil Nyati

Executive Director

Anil C Nyati

Directors

S.N.Maheshwari

Anita Nyati

Vinod Gupta

C.R.Doshi

Ramanlal Bhutda

Tarun Kumar Bhutda

Auditors

M.B.Ladha & Co.

Chartered Accountants

MUMBAI

Bankers

ICICI Bank Ltd.

HDFC Bank Ltd.

Regd.office

 29, Madhukunj no.1, Juhu Cross Lane,
 Andheri (W), MUMBAI-400058

Admn.Office

 48, Jaora Compound, M.Y.H.Road,
 INDORE 452001

Registrar & Share Transfer Agent

Ankit Consultancy Pvt. Ltd.

 2nd Floor, Alnkar Point,
 Geeta Bhawan Chouraha,
 A.B.Road, INDORE-452001

Listed At

- BOMBAY STOCK EXCHANGE LTD., MUMBAI



DIRECTOR'S REPORT

Dear Members,

Your Directors have immense pleasure in presenting the 16th Annual Report of the Company and the Audited Accounts for the financial year ended 31st March, 2008.

FINANCIAL HIGHLIGHTS

(Amount in Rs. Lacs.)

PARTICULARS	31.03.2008	31.03.2007
Total Income	1423.57	621.92
Profit before Depreciation, Interest & Tax	597.48	195.64
Depreciation	58.43	42.73
Interest	3.71	4.17
Profit before Taxation	535.33	148.74
Provision for Taxation	138.05	28.86
Deferred Tax Liabilities	8.48	14.79
Net Profit	383.01	58.24
Prior Period Adjustment	0	0.83
Add: Balance brought forward from Last Year	8.65	3.86
Amount available for appropriation	391.67	62.93
Appropriations:		
Transfer to General Reserve	300.00	20.00
Dividend @ 10%	29.31	29.31
Dividend Distribution Tax	4.98	4.98
Balance Carried forward	57.38	8.65

DIVIDEND

Keeping in view the overall performance and the outlook for the company your Directors are pleased to recommend a final dividend of 10% on the equity shares i.e. dividend of Rs. 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 Articles of Association of the Company Shri C.R. Doshi and Shri Vinod Kumar Gupta retire from the Board of Directors by rotation and they are eligible offer themselves for reappointment in ensuing Annual General Meeting.



Further Mr. Raman Lal Bhutda was co-opted on the Board as an additional Director and he is proposed to be appointed as Director in forthcoming Annual General Meeting for which Company has received notice under section 257 of the Companies Act, 1956 from the member.

Further During the year Mr. Parasmal Deshlahara has resigned from the Board of Directors of the Company. Your Board places on record its deep appreciation of the valuable contribution made by him during his tenure as Director of the Company.

Companies rules 1988 (Disclosure of particulars in the reports of Board of Director)

As the Company is not engaged in any manufacturing activity, 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.

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

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 continue to have cordial and harmonious relations with employees. 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 M.B. Ladha & Company, Chartered Accountants 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.

SUBSIDIARY COMPANY

Your company's subsidiary, Swastika Commodities Private Limited is registered with National Commodities and Derivative Exchange Limited and Multi Commodities Exchange Limited. For the year ended 31st March, 2008 SCPL has reported profit of Rs. 1.50 Lacs. Further Audited accounts of SCPL together with the report of Directors and Auditors thereon are attached, to this annual report, as required under section 212 of the companies act, 1956.

CONSOLIDATION OF ACCOUNTS

The audited Consolidated Accounts and cash flow statement, comprising of Swastika Investmart Limited and its subsidiary company Swastika Commodities Private Limited are annexed to this Annual Report. The auditors report on the consolidation accounts is also attached. The consolidated accounts have been prepared in accordance with the accounting standards prescribed by the Institute of Chartered Accountants of India in this regard.

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 been posted on website of the company i.e. www.swastikaonline.com.



CORPORATE GOVERNANCE

A report on the Corporate Governance code along with a certificate from the Auditors of the Company regarding the 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 to this report.

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 advantages 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 risks, 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.

DIRECTOR'S RESPONSIBILITIES 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 2008, the applicable accounting standards have been followed;
- (II) That they have 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 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.

LISTING OF THE SHARES

Equity shares of the company are listed on Bombay Stock Exchange Ltd., Mumbai.

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 unstinting efforts in ensuring and excellent all-round operational performance. Last but not the least, the directors would like to thank valuable shareholders for their support and contribution. We look forward to their continued support in the future.

For and on behalf of the Board of Directors

Place : MUMBAI
Date : 30.06.2008

Sunil Nyati
(Managing Director)

S.N. Maheshwari
(Director)