Reaching Higher
Towards A Prosperous
HORIZON



swastika investmart
THE WEALTH MAKERS

Swastika Investmart Limited

Corporate Information

MANAGING DIRECTOR
Shri Sunil Nyati

WHOLE TIME DIRECTOR
Smt. Anita Nyati

DIRECTORS
Shri S. N. Maheshwari | Shri Anil Nyati | Shri C. R. Doshi
Shri Raman Lal Bhutda | Shri Sunil Chordia | Shri Vijay Kumar Chowdhari

CHIEF FINANCIAL OFFICER
Shri Parth Nyati

COMPANY SECRETARY
CS. Shikha Bansal

REGISTERED OFFICE
1st Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai- 400001.

ADMINISTRATIVE OFFICE
48, Jaora Compound, MYH Road, Indore - 452001

BANKERS
ICICI Bank Ltd.
HDFC Bank Ltd.

STATUTORY AUDITORS
M/S R.S. Bansal & Co.
Chartered Accountants, Indore

REGISTRAR AND SHARE TRANSFER AGENT
Ankit Consultancy Pvt. Ltd.
60, Electronic Complex, Pardesipura, Indore - 452010

LISTED AT
Bombay Stock Exchange Ltd.

Index

Managing Director's Letter to the Stakeholders — 1
Our Business Growth Statistics — 2
Director's Report — 3
Corporate Governance — 6
Management Discussion and Analysis — 17
Compliance Report — 19
Auditor's Report — 23
Standalone Financials — 28
Consolidated Financials — 49
Notice of Annual General Meeting — 71



Managing Director's Letter to the Stakeholders



Dear Stakeholders,

With tremendous joy and towering high spirits, I am presenting the Annual Report for the financial year 2013-14 as we gear up for yet another year adding to our journey of 22 years.

The last year 2013-14 was like a roller coaster ride for all of us. The Indian markets had their fair share of ups and downs. But I take pride in announcing that your company performed much better than most of the peers in these challenging and harsh conditions. Looking at the results, I feel that we have been successful in steadily instilling the values of perseverance, commitment and transparency over these 22 long years.

In the past 12 months, your company expanded its operations in 11 new cities taking the overall kitty of our pan India branches to more than 50. We now have our presence in more than 45 cities with more than 50,000 satisfied active clients. Due to our never-ending efforts, to our delight, our profit figures have risen significantly from the past year which indicates the growth of your company.

This year witnessed a lot of adverse conditions for the Indian markets and Indian economy as a whole. GDP growth of the country declined to 4.8% during the year, even lower than the previous year. Inflation, Fiscal and Current account deficits reached extremely high levels. The rupee took a nose dive and touched an all time low of Rs. 68.84 against the dollar in the month of August 2013. The stock markets followed suit and NIFTY and SENSEX hit the low of 5119 and 17449 in the same month. Adding to the misery was the NSEL issue regarding payment and regulation which further shook confidence of the investors and kept them out from the markets. To our advantage, the markets started to rise sharply and hit all-time highs by the end of the financial year. Expectations for a new stable government could be the reason behind this bull run.

Even though our business depends largely upon external factors, we at Swastika strongly believe that adverse external factors should not hinder our growth. We follow a highly optimistic approach towards our economy and we strive hard to contribute to the Indian growth story. In such challenging times where our peers are constantly reducing their businesses and scaling down their operations we are enthusiastically expanding our business. We opened 12 new branches in 2012-13 which are now profitable as promised last year. Keeping up with the same pace, we opened 11 new branches this year and they would again prove to be profitable in the upcoming years.

Furthermore, I am delighted to announce that your company got registered as a Category 1 Merchant Banker with SEBI this year and started its merchant banking operations in full swing. Adding another wonderful service to our myriad list of services provided, your company inaugurated its Portfolio Management Services. Your Company also started trading in Currency Derivative Segment of BSE during the year. These steps are in line with our dream of providing all the financial services to our clients under one roof. Keeping this dream in view, in the year 2014-15, your company is planning to enter in providing insurance services and is in process to register with IRDA through one of its subsidiary 'Swastika Insurance Services Limited'.

This year, in an attempt to strengthen its brand, your company launched multiple advertisement campaigns with television channels CNBC TV18, CNBC Awaaz and Zee Business. We also revamped our website to make it fresh, beautiful and user friendly. These activities are certainly turning out to be fruitful and your company will continue to strengthen its brand through all the traditional and new techniques.

Your Company has constantly been paying dividend for the last 9 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.

With a fresh political mandate for a stable government and with green shoots of economic revival beginning to be visible, we look forward to a better business environment in the coming year..

I am fortunate enough as I have my wonderful investors and my dedicated Swastika team members with me to capitalise on this opportunity. With the infinite support I receive from the Swastika family, I am sure we are steadily moving forward on our path to prosperity and wealth. As we look ahead and embark on the next phase of our journey together, we are confident and enthusiastic yet humble and mindful. The best times are still ahead of us.

With Best Wishes.

SUNIL NYATI
(Managing Director)
Swastika Investmart Limited

OUR BUSINESS GROWTH STATISTICS
as on 31st March 2014

55615
clients associated with our company

652
sub-brokers we are proud to have as our partner

13.60%
growth in client base from last year

26.11%
sub-brokership increase from last year



25.58% growth in expansion with 54 branches all over India

NEW

services added in 2013-14

- Merchant Banking Services
- Portfolio Management Services
- BSE Currency Derivative Segment

426 number of team members consisting of

- Highly experienced CAs
- IIT graduates
- Qualified operations & research team & training faculty

Consistently paying 10% Dividend for **10 years**





Awarded by BSE for two consecutive years 2012 and 2013 for being the top performer in Derivatives Segment

DIRECTOR'S REPORT

To the members of
Swastika Investmart Limited

Your Directors have pleasure in presenting the 22nd Annual Report of your company together with the Audited statements Accounts for the year ended on 31st March, 2014. The Financial Results of the company in the year under review are as under:

Financial Results and Operations:

Rs. In Lacs except EPS

Particulars	Year ended 31/3/2014	Year ended 31/3/2013
Total Income	1406.51	1322.47
Total Expenditure	1335.79	1356.67
Profit/Loss before exceptional item and tax	**70.72**	**(34.20)**
Add-Exceptional Items	31.01	37.02
Profit/Loss before tax	**101.73**	**2.82**
Provision for Tax		
Current Tax	36.48	0.58
Deferred Tax	(1.54)	(4.60)
Profit/Loss after tax	**66.79**	**6.84**
Paid up Equity Share Capital	**295.97**	**295.97**
Earning per share (Rs.10/- each) Basic **& Diluted (in Rs.)**	**2.26** **2.26**	**0.23** **0.23**

DIVIDEND

To maintain the trend of Dividend, your Directors are pleased to recommend a final dividend of 10% on the equity shares i.e. Re. 1/- per Equity Share of face value Rs.10/- for financial year 2013-2014 subject to Approval of the members in ensuing Annual General Meeting.

DIRECTORS:

The Board in its meeting held on 12th August, 2014 has appointed Shri Sunil Chordia and Shri Vijay Kumar Chowdhary as Additional Directors as well as Independent Director of the Company, not liable to retire by rotation.

Further Board accepted the resignation of Shri Vinod Kumar Gupta, Shri Tarun Baldua and Shri Parth Nyati from the post of directorship of the company. Your Board places on record their deep appreciation of the valuable contribution made by them during their tenure as Directors of the Company.

Further Shri Chain Raj Doshi and Shri Raman Lal Bhutda the existing independent directors are further proposed to be appointed as Independent Directors for a term of five years as per requirement of Section 149 of the Companies Act, 2013 as well as Clause 49 of the Listing Agreement to hold the office till 31st March, 2019.

The Company has received notice in writing from the members as required under Section 160 of the Companies Act, 2013 for proposal for appointment of Shri Sunil Chordia and Shri Vijay Kumar Chowdhary as Director as well as independent director and all other Independent Directors of the Company at the ensuing Annual General Meeting.

The Independent Directors has submitted a declaration confirming that they meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment as Independent Directors of the Company.

In the opinion of the Board the above said three directors fulfills the conditions specified in the Act and the Rules made there under as the Clause 49 of the Listing Agreement for their appointment as Independent Directors of the Company.

In accordance with the provision of the Companies Act, 2013 Shri Satyanarayan Maheshwari and Shri Anil Kumar Nyati, retire from the Board of Directors by rotation and being eligible offer themselves for reappointment in ensuing Annual General Meeting.

FIXED DEPOSITS

Your company has not accepted or invited any deposits from public within the meaning of Section 58A and 58AA of the Companies Act, 1956, during the year under review.

SUBSIDIARY COMPANY AND CONSOLIDATION OF ACCOUNTS

The Ministry of Corporate Affairs has vide its circular dated 08th February 2011, had granted general exemption to companies from attaching to their balance sheet, the accounts and other documents of their subsidiaries companies, subject to fulfill 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 its subsidiaries (i.e. Swastika Commodities Private Limited, Swastika Fin-mart Private Limited and Swastika Insurance Services Limited) are forming part of this.

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.

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:

- That in the preparation of the annual accounts for the financial year ended 31st March 2014; the applicable accounting standards have been followed;
- 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;
- 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.
- That they have prepared the annual accounts on a going concern basis.

AUDITORS:

M/s. R.S. Bansal & Co., Chartered Accountants, who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed there under, it is proposed to appoint M/s R.S.Bansal & Co., Chartered Accountants as Statutory Auditors of the Company from the conclusion of the forthcoming Annual General meeting till the conclusion of the next Annual General Meeting.

COMMENTS ON AUDITORS REPORT

The Board has duly reviewed the Statutory Auditors' Report on the Accounts. The observations and comments, if any, appearing in the Auditors' Report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors.

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

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.

AUDIT COMMITTEE

Under the provisions of Companies Act, 1956 and Listing Agreement with the Stock Exchanges an Audit Committee Comprises of Shri Chain Raj Doshi, Shri Raman Lal Bhutda and Shri Sunil Chordia all are independent directors of the Company.

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 CFO certification are annexed hereto and form part of the report.

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. In totality our employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market condition.

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.

SECRETARIAL COMPLIANCE CERTIFICATE

A Secretarial Compliance Certificate is obtained from Practicing Company Secretary in terms of provisions of section 383A(1) of the Companies Act, 1956 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

LISTING OF THE SHARES

Equity shares of the company are listed on Bombay Stock Exchange Ltd., Mumbai. The company has paid listing fee for financial year 2014-2015.

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 Services (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.

ACKNOWLEDGMENT:

The Board places on record its deep appreciation of the devoted services of loyal workers, executives and other staff of the Company, who have contributed to the performance and company's continue inherent strength. Your directors also wish to thank the customers, dealers, agents, Suppliers, partners, investors, banks and other stakeholders for their continued support and faith respond in the Company. We look forward to their continued support and co-operation in the future.

For and behalf of the Board

Date: 12.08.2014
Place: INDORE

Sunil Nyati	**Anita Nyati**
Managing Director	**Whole time Director**
Din No: 00015963	**Din No: 01454595**

REPORT ON CORPORATE GOVERNANCE

A report of the financial year ended 31st March, 2014 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 is in compliance with the requirement on the corporate governance stipulated under clause 49 of the Listing Agreement entered into with the stock exchange.

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.

The last Annual General meeting was held on 20th September 2013.

Name of Director (Director identification number)	Cate-gory	No. of Board Meetings Attended	Other Directorship		Committee Position other than this Company		Whether attended last AGM held on 20.09.2013
			Chairman	Member	Chairman	Member	
Sunil Nyati (00015963)	MD	11	NIL	3	NIL	NIL	Yes
S.N. Maheshwari (00049339)	NED	11	NIL	NIL	NIL	NIL	No
Anil Nyati (00057314)	NED	4	NIL	2	NIL	NIL	No
*Vinod Gupta (00057168)	ID	4	NIL	NIL	NIL	NIL	Yes
C.R. Doshi (00482700)	ID	4	NIL	NIL	NIL	NIL	No
Anita Nyati (01454595)	WTD	11	NIL	1	NIL	NIL	Yes
Raman Lal Bhutda (01789675)	ID	4	NIL	NIL	NIL	NIL	No
*Tarun Kumar Baldua (02212645)	ID	4	NIL	NIL	NIL	NIL	No
*Parth Nyati (02583324)	NED	3	NIL	NIL	NIL	NIL	No

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.

*Shri Vinod Gupta and Shri Tarun Baldua and Mr Parth Nyati ceased from directorship of the Company w.e.f. 12th August, 2014 on account of their resignation.

The Board has appointed Shri Sunil Chourdiya and Shri Vijay Kumar Chowdhary as an Additional as well as Independent Directors to hold office up to the ensuing Annual General Meeting.

Board Meetings are governed by a structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

The necessary quorum remained present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective Board Meeting. In Financial year 2013-14. Eleven Board Meetings were held and the gap between two meetings did not exceed four months. The dates on which the said Meetings were held are as follows:

02.04.2013	14.05.2013	14.06.2013	07.08.2013	10.09.2013	24.09.2013
28.10.2013	13.11.2013	07.02.2014	14.03.2014	31.03.2014	

ii) Inter-se relationship among directors

Mr Sunil Nyati and Mrs Anita Nyati are husband wife, Mr Sunil Nyati and Mr Anil Nyati are brother, Mr. Parth Nyati is son of Mr. Sunil Nyati and Mrs Anita Nyati. Mrs Anita Nyati is daughter of Shri S.N Maheshwari. Mr. Sunil Nyati is son-in-law 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 Director

The Number of equity shares held by Non-Executive Directors as on 31.3.2014 were as under:

Name of Director		No. of shares
S.N. Maheshwari	(Din No.00049339)	44900
Anil Nyati	(Din No.00057314)	154400
Vinod Gupta	(Din No.00057168)	-
C.R. Doshi	(Din No.00482700)	-
Raman Lal Bhutda	(Din No.01789675)	2500
Tarun Kumar Baldua	(Din No.02212645)	-
Parth Nyati	(Din No.02583324)	287000

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

Brief resume(s) of the Directors proposed to be appointed/re-appointed are given in the Notice convening the Annual General Meeting in separate annexure.

B. Board Procedure

A detailed agenda folder is sent to each Director in advance of Board and Committee meetings. To enable the Board to discharge its responsibilities effectively, the Executive Director briefs the Board at every meeting on the overall Company performance and compliance of the company wherever applicable.

Committees of the Board

(I) Audit Committee (Mandatory Committee)

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit

reports and action taken report. The Audit Committee was reconstituted on 12th August 2014 consisting of Shri Sunil Chourdiya, Shri C.R.Doshi and Shri Raman Lal Bhutda Non Executive independent Directors. All the members of the committee, including committee chairman are independent director. All the members of the committee are financial literate.

(i) Meeting and Composition

The Composition of Audit Committee as on 31.3.2014 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
*Vinod Gupta (Din No.00057168)	Non executive Independent Director	Chairman	4	4
C.R. Doshi (Din No.00482700)	Non executive Independent Director	Member	4	4
Raman Lal Bhutda (Din No.01789675)	Non executive Independent Director	Member	4	4

* Shri Vinod Gupta Ceased from Directorship of the Company w.e.f. 12th August, 2014. Accordingly he also ceased as member of the Committee from above said date.

During the year the committee met on four occasions during the year on following dates namely:

14/05/2013	07/08/2013	13/11/2013	07/02/2014

As mandated by clause 49 of the Listing agreement

1. The representative of statutory auditor of the company are also invited in the audit committee meetings.
2. The gap between two audit committee meetings was not more than four months.

Terms of reference of the Audit Committee

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval of payment of any other services.
- Reviewing with management, the annual financial statement before submission to the Board for approval, with particular reference to:
  a. Matters required to be included in the Directors responsibility statement to be included in the board's report as per Section 217(2AA) of the Companies Act, 1956.
  b. Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings.
  c. Compliance with listing and other legal requirements relating to financial statements.
  d. Disclosure of any related party transactions.
  e. Qualifications in the draft audit report if any.
- Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern.
- Reviewing the management discussion and analysis of the financial conditions and results of operations.
- Reviewing with the management and the statutory auditors anticipated changes in the Accounting Standards.
- Reviewing the Company's financial and risk management policies;
- Significant related party transaction.
- The appointment and removal of chief financial officer of the company.
- Reviewing the financial statement of subsidiary companies.
- Undertake such other functions as may be entrusted to it by the Board from time to time.