

Wealth creation
is our passion





READY FOR BIG

Corporate Information

MANAGING DIRECTOR

Mr. Sunil Nyati

WHOLE TIME DIRECTOR

Mrs. Anita Nyati

DIRECTORS

Mr. Amit Ramesh Gupta	Mr. Anil Nyati
Mr. Sunil Chordia	Mr. C.R. Doshi
Mr. Raman Lal Bhutda	Mr. Chandra Shekhar Bobra

CHIEF FINANCIAL OFFICER

Mr. Parth Nyati

COMPANY SECRETARY

CS Shikha Bansal

REGISTERED OFFICE

305, Madhuban Bldg, Cochin Street,
S.B.S. Road, Fort, Mumbai-400001

ADMINISTRATIVE OFFICE

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

BANKERS

ICICI Bank Ltd. & Indusind Bank Ltd.

REGISTRAR & SHARE TRANSFER AGENT

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

STATUTORY AUDITORS

R.S. Bansal & Co.
Chartered Accountants, Indore

LISTED AT

Bombay Stock Exchange Limited

HIGHLIGHTS 2016-17

Rs. 2,221 Lacs
Net Worth

Rs. 4,369 Lacs
Revenue

Rs. 653 Lacs
Profit

88513
Number of Clients

1880
Number of Sub-Brokers/AP's

Rs. 22.08
Earning Per Share

Rs. 298.25 Lacs
Share Capital

Managing Director's letter to the Shareholders

Dear Shareholders,

As I write this, my heart is filled with pride. This year, your company is celebrating its Silver Jubilee. 25 years of unshakable trust. 25 years of tireless client servicing. 25 years of smiles, prosperity and wealth creation - "Sarve Bhavantu Dhaninah".

Completion of 25 years

The journey of Swastika has been like a roller coaster ride for me. We started from lease and finance and added so many feathers in our cap, i.e., stock broking, merchant banking, depository, training institute etc. In all the good and bad economic times, our team members supported our vision -Prosperity of all Swastika's stakeholders. It is gratifying that many who had stood by us at the beginning, continue to do so even today. Such relationships are rare, precious and deeply valued.

Furthermore, continuing the track record of the past 11 years, I am happy to announce that the Board has proposed a dividend of Rs. 1/- per share, i.e., 10% of the face value of the shares. This would mark as the 12th continuous year of paying dividends to felicitate our shareholders who have shown their faith in Swastika.

Our Culture : Integrity, Transparency and Honesty

We value integrity, transparency and honesty in clients' transactions. With every profitable transaction for our client, Swastika family gets happier. We always keep ourselves in our clients' boots and feel the emotions that they go through in all kinds of conditions. It is this culture which starts at the top and flows down and differentiates Swastika from others. Higher happiness index is our priority. Every employee's role at Swastika is by default, designed to be that of an 'Owner'. Yes, you read that right. We ignite ownership in our team members so that they are ethical, responsible, responsive and hard working. A company having 600 'Owners' can never falter.

Ready For Big

All these 25 years have made us stronger and wiser. But, I think that this is just the beginning. The team, systems, processes and infrastructure is now ready. Now Swastika will propel to new heights. Now Swastika is "Ready for Big"! Our tagline for FY 2017-18 is 'Ready For Big'.



I'm so excited to announce that there are so many interesting developments happening at Swastika. The biggest of them being technology advancements. Our technology team will launch new back office software, trading mobile apps, online mutual fund platform and loads of other things to make trading and investments extremely easier for our customers. With the advent of cheaper 4G network and Government's initiatives towards digital India, we are expecting our turnover to grow manifold.

Merchant Banking and NBFC are our growing businesses. Last FY we launched 5 IPOs and have got an extremely incredible response. Our NBFC - Swastika Finmart Pvt. Ltd., is also doing very well. We have tied up with new age Fin-tech companies promoted by IIT grads and now our loan book is steadily growing.

Another domain which looks very lucrative now is Mutual Fund distribution. With new user friendly and seamless softwares, our clients will be able to invest or sell mutual fund units. Branding on online and offline channels is now contributing to our visibility. Now Swastika is a national level brand. We have broken the shackles of a regional brand. We shall continue to enhance our branding efforts this year as well.

I am sure our unique organization culture, technology strength and vigorous efforts will give us exponential growth.

Swastika is **READY FOR BIG:**

Learning - Ideas - Achievements - Client Base - Network - Brand - Technology Advancement - Profits - Future.

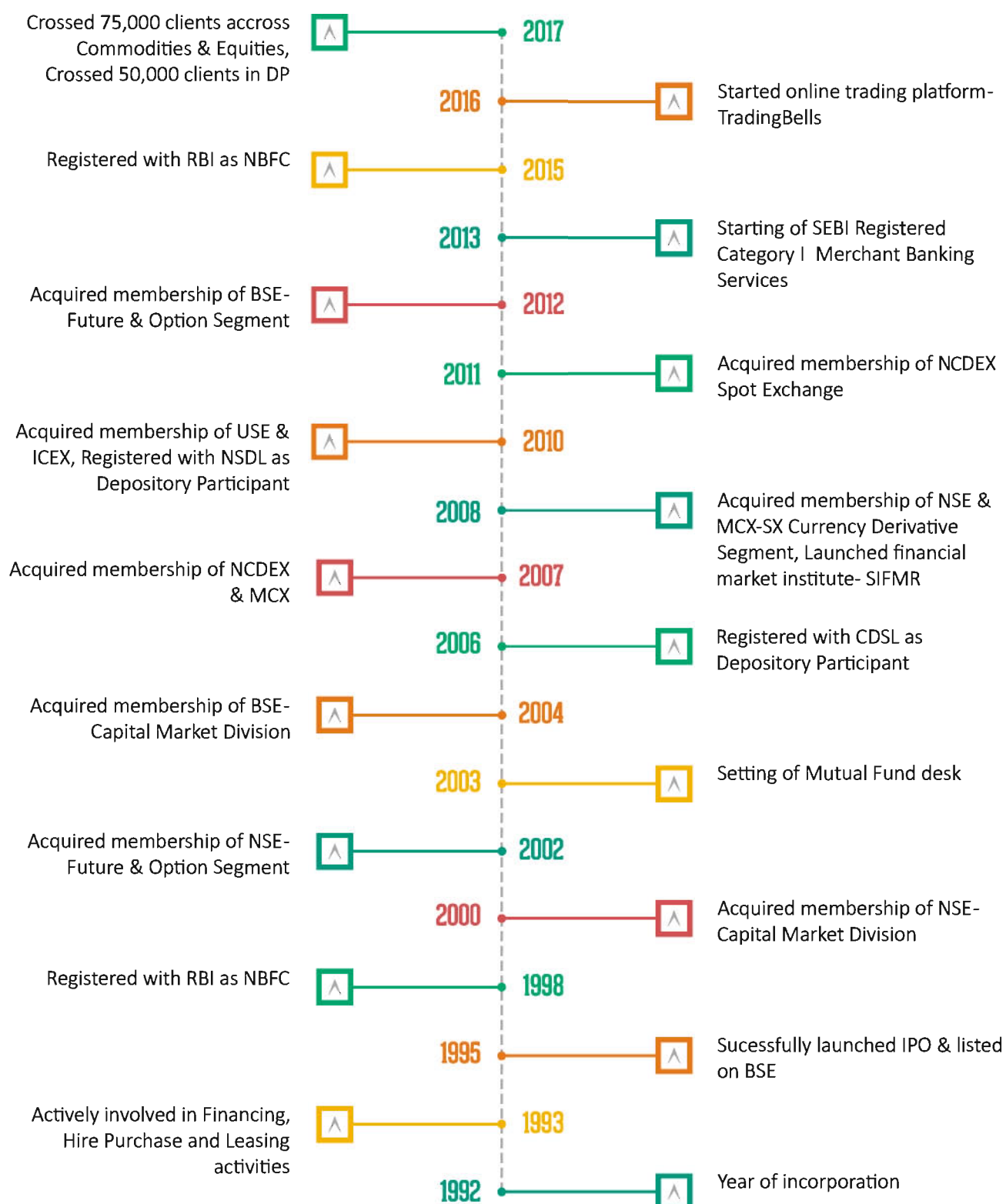
With best wishes

Sunil Nyati

Managing Director
Swastika Investmart Limited



SWASTIKA GROUP JOURNEY OF 25 YEARS



Contents

<i>Board's Report</i>	05
<i>Report on Corporate Governance</i>	30
<i>Management Discussion and Analysis</i>	46
<i>Independent Auditor's Report</i>	49
<i>Standalone Financials</i>	55
<i>Consolidated Financials</i>	76
<i>Notice of Annual General Meeting</i>	100

BOARD'S REPORT

To,
The Members of
M/s Swastika Investmart Limited
Mumbai (M.H)

Your Directors are pleased to present the 25th Annual Report on the business and operation of the company together with the Standalone and Consolidated Audited Financial Statements for the year ended 31st March, 2017.

1. STATE OF AFFAIRS AND FINANCIAL PERFORMANCE :

1.1 FINANCIAL HIGHLIGHTS AND SUMMARY OF STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS.

The performance highlights and summarized financial results of the Company are given below:

(Rupees in Lakhs except EPS)

Particulars	Standalone		Consolidated	
	Year ended 31 st March 2017	Year ended 31 st March 2016	Year ended 31 st March 2017	Year ended 31 st March 2016
Total Income	3265.51	2269.09	4369.33	3164.80
Total Expenditure	2463.74	2292.05	3435.91	3197.36
Profit/(Loss) before exceptional & extraordinary items and tax	801.77	(22.96)	933.42	(32.56)
Exceptional & Extraordinary Item	0.00	0.00	0.00	0.00
Profit/(Loss) before tax	801.77	(22.96)	933.42	(32.56)
Provision for Tax				
Current Tax	244.12	0.00	287.11	11.25
Deferred Tax	(6.79)	(4.93)	(7.05)	(4.93)
Profit/(Loss) after tax	564.44	(18.03)	653.36	(38.88)
Surplus of Statement of Profit & Loss opening balance	13.84	67.49	134.45	208.95
Amount available for appropriation	578.28	49.46	787.81	170.07
Appropriations:				
(a) Transferred to Statutory Reserve	0.00	0.00	0.00	0.00
* (b) Proposed Dividend on Equity Shares	0.00	29.59	0.00	29.59
(c) Tax on Proposed Dividend	0.00	6.03	0.00	6.03
Surplus Carried to Balance Sheet	578.28	13.84	787.81	134.45
Paid up Equity Share Capital	295.97	295.97	295.97	295.97
Earnings per share (Rs. 10/- each) Basic & Diluted (in Rs.)	19.07	(0.61)	22.08	(1.31)

* Pursuant to Accounting Standard - 4, the company has not accounted for proposed dividend for the current financial year as liability as at 31 March 2017. However the proposed dividend was accounted for liability as at 31 March 2016 in accordance with existing accounting standard.

1.2 OPERATIONAL AND STATE OF COMPANY'S AFFAIRS

Your Company achieved an all-time high top line growth during the financial year 2016-17 with gross income at Rs. 3265.51 lakhs (Previous year Rs. 2269.09 lakhs) on a standalone basis. The Company earned net profit amounted to Rs. 564.44 lakhs as compared to previous year's loss of Rs. 18.03 lakhs. On a consolidated basis during the year under review, the Company's gross income is Rs 4369.33 lakhs (Previous year Rs. 3164.80 lakhs). Your Company has reported overall profit of Rs. 653.36 lakhs during the current year as compared to previous year loss of Rs. 38.88 lakhs.

The consolidated financials reflect the cumulative performances of Swastika Investmart Limited along with its subsidiaries. Detailed description about the business carried out is contained in the Management Discussion and Analysis report.

1.3 CHANGE IN NATURE OF BUSINESS

During the year there was no change in business activity of the company, however Company has started merchant banking business.

1.4 SHARE CAPITAL

The Paid-Up Equity Share Capital as at 31st March 2017 stood at Rs. 295.97 lakhs. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock option or sweat equity shares. As on 31st March 2017, none of the Directors of the company hold instruments convertible into equity shares of the Company.

2. CHANGE IN REGISTERED OFFICE OF THE COMPANY.

Board of Directors in their Board Meeting held on 24.05.2016 after complying to the provision of the Section 12 of the Companies Act, 2013 shifted registered office of the Company with in same city from 1st Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai-400001 to 305, Madhuban Bldg, Cochin Street, S.B.S. Road, Fort, Mumbai, Mumbai City - 400001, MH

3. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9, as required under Section 92 of the Companies Act, 2013, is annexed as Annexure - A and forms an integral part of this Report.

4. NUMBER OF MEETINGS OF THE BOARD, ITS COMMITTEES & AGM

The details of the number of meetings of the Board and its committee held during the Financial Year 2016-17 forms part of the Corporate Governance Report. Further Annual General Meeting of the Company for financial year 2015-16 was held on 20th September, 2016.

5. DIVIDEND

Looking at the consistent performance of the company, Board of 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/- each aggregating to Rs.29,59,700/- for financial year 2016-17, subject to Approval of the members in ensuing 25th Annual General Meeting.

AMOUNT TRANSFERRED TO INVESTOR EDUCATION AND PROTECTION FUND

During the year 2016-17, unclaimed dividend for financial year 2008-09 of Rs. 91,956/- was transferred to the Investor Education and Protection Fund, as required under the Investor Education and Protection Fund (Awareness and Protection of Investor) Rules, 2001.

6. AMOUNTS TRANSFERRED TO RESERVES

Out of the profits available for appropriation, no amount has been transferred to any reserves for the year under review.

7. DEPOSITS

The Company has not accepted any deposits, within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

UNSECURED LOAN FROM DIRECTORS

The Company has not received any unsecured loan from its directors during the financial year 2016-17.

8. SUBSIDIARY COMPANIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the financial year company has formed an wholly owned subsidiary company i.e. Swastika Investmart (IFSC) Pvt. Ltd. Your Company has four wholly owned Subsidiaries i.e. Swastika Commodities Private Limited, Swastika Fin-Mart Private Limited, Swastika Insurance Services Limited and Swastika Investmart (IFSC) Private Limited. Financials to the these Subsidiaries are disclosed in the Consolidated Financial Statements, which form part of this Annual Report. A statement containing salient features of the Financial Statements of the Subsidiaries are annexed to this Report as ANNEXURE B pursuant to Section 129(3) of the Companies Act, 2013 and the rules made there under in the prescribed form, AOC-1 and hence is not repeated here for sake of brevity. The Company does not have any joint venture or associate Company.

In accordance with third proviso to Section 136(1) of the Companies Act, 2013, the Annual Report of your Company, containing inter alia the audited standalone and consolidated financial statements, has been placed on the website of the Company at www.swastika.co.in. Further, audited financial statements together with related information and other reports of each of the subsidiary companies have also been placed on the website of the Company at www.swastika.co.in.

In terms of Section 136 of the Companies Act, 2013 ('the Act'), financial statements of the subsidiary companies are not required to be sent to the members of the Company. The Company shall provide a copy of the annual accounts of its subsidiary companies to the members of the Company on their request. The annual accounts of its subsidiary companies will also be kept open for inspection at the registered office of the Company during business hours.

9. CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the Accounting Standard AS-21 on consolidated financial statement, your directors provide the Audited Consolidated Financial statements in the Annual Report.

10. DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mrs. Anita Nyati, Whole Time Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible offers herself for re-appointment. However, her term is fixed but she is liable to retire by rotation as determined by the Board of the Directors of the Company. The Board recommends her re-appointment for the consideration of the Members of the Company at the ensuing Annual General Meeting.

Board of Directors in their Board meeting held on 01st August, 2017 accepted the resignation of Shri Satyanarayan Maheshwari & Shri Kailash Chander Sharma 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.

Pursuant to Section 152, 160, 161 and all other applicable provisions of the Companies Act, 2013 and Article 101 of the Articles of Association of the Company, Shri Chandra Shekhar Bobra (DIN: 00209498), a Non-Executive Independent Director who was appointed as an Additional Director with effect from 1st August, 2017, shall hold office as per the provisions of Section 161 of the Companies Act, 2013, till the date of the ensuing Annual General Meeting. The Company has received a notice as per the provisions of Section 160(1) of the Companies Act, 2013 from a Member in writing proposing his candidature for the office of Director along with requisite deposit.

Further Board of Directors in their Board meeting held on 01st August, 2017 appointed Mr. Amit Ramesh Gupta (DIN: 07322170), as additional director as well as whole time director of the company for a tenure of 3 (three) years subject to approval of members in ensuing annual general meeting. The company has received a notice from member along with requisite deposit, proposing his candidature for continuance as a director.

The following have been designated as the Key Managerial Personnel of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

1. Shri Sunil Nyati, Managing Director;
2. Mrs. Anita Nyati, Whole Time Director;
3. Shri Amit Ramesh Gupta, Whole Time Director;
4. Shri Parth Nyati, Chief Financial Officer;
5. Ms. Shikha Bansal, Company Secretary and Compliance officer

DISQUALIFICATIONS OF DIRECTORS

During the year declarations were received from the Directors of the Company pursuant to Section 164 of the Companies Act, 2013. Board appraised the same and found that none of the director is disqualified for holding office as director.

11. DECLARATION BY INDEPENDENT DIRECTOR

The Company has received declarations from all the Independent Directors of the Company confirming that they fulfil the criteria of independence as prescribed under sub-section (6) of section 149 of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

12. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures in adoption of these standards;
- ii. The Directors 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 the financial year and of the profit of the Company for that period;
- iii. The Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis;
- v. The Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- vi. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

13. FAMILIARIZATION OF INDEPENDENT DIRECTORS

The details of familiarization programme for Independent Directors have been disclosed on website of the Company at web link: <http://reports.swastika.co.in/InvestorRelation/RE110420170c769.pdf>.

14. MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met once during the year as on 24th March, 2017. The Meeting was conducted in an informal manner without the presence of the Chairman, the Whole Time Director, the Non-Executive Non-Independent Directors and the Chief Financial Officer.

15. COMMITTEES OF THE BOARD OF DIRECTORS

The Company has various committees which have been constituted as a part of the good corporate governance practices and the same are in compliance with the requirements of the relevant provisions of applicable laws and statutes. Your Company has an adequately qualified and experienced Audit Committee with Shri Raman Lal Bhutda (Chairman), Shri Chain Raj Doshi, Shri Kailash Chander Sharma and Shri Sunil Chordia. However Mr. Kailash Chander Sharma resigned from the Board of Company w.e.f. 01st August, 2017 and the Committee was reconstituted on 1st August, 2017 Shri Chandra Shekhar Bobra has been included as Member of the Committee. The recommendations of the Audit Committee were duly approved and accepted by the Board during the year under review.

The other Committees of the Board are:

- (i) Nomination and Remuneration Committee
- (ii) Stakeholders Relationship Committee
- (iii) Corporate Social Responsibility (CSR)

The details with respect to the composition, powers, roles, terms of reference, Meetings held and attendance of the Directors at such Meetings of the relevant Committees are given in detail in the Report on Corporate Governance of the Company which forms part of this Report.

16. STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE, ITS DIRECTORS, AND THAT OF ITS COMMITTEES

The Board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for independent directors are determined by the Nomination and Remuneration committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behavior and judgments

17. PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS U/S 186

Pursuant to Section 186 of Companies Act, 2013 and Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") disclosure on particulars relating to Investment are stated in Note No. 9 of financial statement. These investments were made for the purpose of optimum return. Further Company has provided guarantee to Indusind Bank with respect to loan taken by Swastika Commodities Pvt. Ltd., wholly owned subsidiary company. During the financial year company has not given any loan except to its wholly owned subsidiary company.

18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business pursuant to the provisions of Section 188 of the Companies Act, 2013 and the Rules made there under. Also, there was no contract/arrangement/transaction with any of the Related Parties which could be considered material in accordance with the Companies Act, 2013, rules framed there under and Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Hence AOC-2 is not required.

The Details of the related party transactions as required under Accounting standard -18 are set out in Note 22(4)(B) to the financial statement forming part of this Annual Report.

All Related Party Transactions are placed before the Audit Committee and the Board for review and approval on a quarterly basis. Omnibus approval was obtained from Audit Committee for transactions which are of repetitive nature.

The policy on Related Party Transactions as approved by the Board of Directors has been uploaded on the website of the Company. The web-link of the same has been provided in the Corporate Governance Report. None of the Directors has any pecuniary relationship or transactions vis-à-vis the Company.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO