

Reaching Higher  
Towards A Prosperous  
**HORIZON**



 **swastika investmart**  
THE WEALTH MAKERS

## 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

1<sup>st</sup> 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.

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## 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 Investment 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



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 22<sup>nd</sup> Annual Report of your company together with the Audited statements Accounts for the year ended on 31<sup>st</sup> March, 2014. The Financial Results of the company in the year under review are as under:

### Financial Results and Operations:

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

### 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 12<sup>th</sup> 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 31<sup>st</sup> 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 08<sup>th</sup> 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 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 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](http://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  
Managing Director  
Din No: 00015963

Anita Nyati  
Whole time Director  
Din No: 01454595

## REPORT ON CORPORATE GOVERNANCE

A report of the financial year ended 31<sup>st</sup> 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 20<sup>th</sup> 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. 12<sup>th</sup> 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 12<sup>th</sup> 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. 12<sup>th</sup> 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
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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.

## (II) Stakeholders' Relationship Committee

The Board of Directors of the Company in its meeting held on 12<sup>th</sup> August 2014 changed the nomenclature of "Shareholders'/Investor' Grievances Committee" to "Stakeholders' Relationship Committee" and also modified its terms of reference to comply with the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The constitution and terms of reference of Stakeholders' Relationship Committee of the Company are in compliance with provisions of Companies Act, 2013 and Clause 49 of the Listing Agreement.

### (i) Meeting and Composition

The Composition of 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. 12<sup>th</sup> August, 2014. Accordingly he also ceased as member of the Committee from above said date.

The committee met four times during the year under review.

14/05/2013	07/08/2013	13/11/2013	07/02/2014
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- (ii) During the year under review 1 (One) complaint was received from shareholder and the same was resolved to the satisfaction of the shareholder and there was no complaint pending unresolved as at the end of the year.
- (iii) Share transfer in physical form are registered by the Registrar and returned to respective Transferee/person within a period ranging from one to two weeks provided the documents lodged with Registrar/Company are clear in all respects.
- (iv) Name, designation and address of Compliance Officer:-  
 Ms. Shikha Bansal  
 Company Secretary and Compliance officer  
 48, Jaora Compound, M.Y.H. Road,  
 Indore-452001 M.P.  
 Email: [secretarial@swastika.co.in](mailto:secretarial@swastika.co.in)  
 PH: 0731-6644000, Fax 0731-6644300

### Terms of Reference :

- Oversee and review all matters connected with the transfer of the Company's securities.
- Monitor redressal of investors' / shareholders' / security holders' grievances.
- Oversee the performance of the Company's Registrar and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

## (III) Nomination and Remuneration Committee

The Board of Directors of the Company in its meeting held on 12<sup>th</sup> August, 2014, changed the nomenclature of the Remuneration Committee of the Company to "Nomination and Remuneration Committee" and also modified its terms of reference to comply with the requirements of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement. All the members of the committee are Non Executive independent directors.

**a) Terms of reference**

The terms of reference of remuneration committee is to deal with, decide and recommended to the Board of the Directors on all matters relating to appointment and remuneration to managing director and whole time director .

**b) Meeting and Composition**

The composition of committee as on 31.3.2014 and attendance record of the members at the meeting held during the year are 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	Member	1	1
C.R. Doshi (Din No.00482700)	Non executive Independent Director	Member	1	1
Raman Lal Bhutda (Din No.01789675)	Non executive Independent Director	Member	1	1

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

**c) Remuneration policy Executive Directors**

The remuneration of executive directors is reviewed by the remuneration committee and thereafter recommended to the Board of the directors of the Company for subject to approval of the members at general meeting and such other authorities as may be required. While recommending remuneration , the committee considers various factors such as practices prevalent in the industry for the time being , qualification, expertise of the appointee and financial position of the company.

**d) Remuneration of directors**

Remuneration paid or payable to Directors during the year 2013-2014

Name of Director	Sitting	Commission Fees	Salary & on Profit	Contribution Allowance	Perquisites to PF	Total
Mr. Sunil Nyati Din: 00015963	---	---	30,00,000	9,360	---	30,09,360
Mrs. Anita Nyati Din: 01454595	---	---	15,00,000	9,360	---	15,09,360

- No sitting Fees was paid to any Director of the Company during the financial year.
- The company does not have any service contract with any of its directors.
- The company has not granted any stock option to any of its director/employees.
- During the year the committee met on one occasion during the year.

**MANAGEMENT**

**A. The Management discussion and analysis report**

The Annual Report has a detailed chapter on Management Discussion and Analysis.

**B. Disclosure by Management to the Board**

All details relating to the financial and commercial transactions where directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

**Compliance with Mandatory / Non Mandatory requirements.**

- The Company has complied with all the applicable mandatory requirement of clause 49 of the listing agreement.
- The Company has also adopted the non mandatory requirement as specified in Annexure 1D to clause 49 of the listing agreement regarding constitution of remuneration committee, the details of which already been provided in this report and audit qualification. There is no audit qualification in the financial statement.

## SUBSIDIARY COMPANY

Swastika Investmart Limited has three subsidiaries company viz. M/s. Swastika Commodities Private Limited, Swastika fin-mart Private Limited (wholly owned subsidiary) and Swastika Insurance Services Limited and Mr. Sunil Nyati, Mr. Anil Nyati are also Directors in Swastika Commodities Private Limited. Sunil Nyati and Anil Nyati are directors in Swastika Insurance Services Limited. Mr. Sunil Nyati and Mrs. Anita Nyati are directors in Swastika Fin-mart Private Limited. As required under new clause 49 the Company has adopted a practice of placing the minutes and statements of all the significant transactions of unlisted subsidiary companies in the meeting of Board of Directors of Swastika Investmart Limited. The Audit Committee of the Company regularly reviews the financials of the subsidiary Company M/s Swastika Commodities Private Limited only as other subsidiary companies yet not started its substantial business activities.

## DISCLOSURES

- A. There were no material transactions of the Company with its promoters, directors, and management on their relatives that may have conflict with the interest of the Company at large.
- B. The particulars of transactions between the Company and its related parties in accordance with the accounting standard 18 are set out in Annual report. These transactions are in the ordinary course of business and are not likely to have any conflict with the interest of the Company.
- C. The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, and in conformity, in all respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company.
- D. The Company has well defined management policies to manage the risk inherent in the various aspects of business. The Board is regularly informed about the business risks and the steps taken to mitigate the same.
- E. The following amounts of penalty have been levied by stock exchange for non compliance found in routine stock broking operations, during last three years.

Financial Year	Amount ₹
2011-12	19,000/-
2012-13	320,126/-
2013-14	75,925/-

- F. During the year under review, Company has not issued any type of securities. No GDR/ADR issued by the Company.
- G. The company has established a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
- H. As per clause 5All of the listing agreement, there is no unclaimed shares in the company.
- I. During the year ended on 31<sup>st</sup> March 2014 the company has transferred Rs. 129220/- being the amount of unclaimed dividend for the year 2005-06 to Investors Education and Protection Fund.

## SHAREHOLDER'S INFORMATION

### Means of Communication

Presently, the quarterly/half yearly financial result is not sent individually to the shareholders. However as required under the listing agreement, the same are published in the Free Press Journal (English) and Dainik Navshakti (Marathi)

The Company's website [www.swastika.co.in](http://www.swastika.co.in) contains information on the Company and its performance. Presentations to analysts, as and when made, are immediately put on the website for the benefit of the shareholders and the public at large. The secretarial department's mail is [secretarial@swastika.co.in](mailto:secretarial@swastika.co.in)

### General body meetings

The last three Annual General Meetings of the Company were held as detailed below:

Meeting	Date	Time	Venue
21 <sup>st</sup>	20 <sup>th</sup> September 2013	2.00 p.m.	1 <sup>st</sup> Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai- 400001
20 <sup>th</sup>	14 <sup>th</sup> September 2012	2.00 p.m.	1 <sup>st</sup> Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai- 400001
19 <sup>th</sup>	12 <sup>th</sup> September 2011	2.00 p.m.	1 <sup>st</sup> Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai- 400001



#### POSTAL BALLOT & SPECIAL RESOLUTION :

- No resolutions were passed by postal ballot in last three years.
- None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.
- No Extra Ordinary General meeting was held during the financial year.
- Following special resolutions were passed in last three Annual General meeting by way of show of hands:
  - a) Consent of the Company accorded to Board of Directors of the company to make investments and loan up to Rs. 50 crores in Annual General Meeting held on 14.09.2012.
  - b) Re-appointment of Shri Sunil Nyati, as Managing Director of the Company for the period of 3 years with effect from 15<sup>th</sup> June, 2013 to 14<sup>th</sup> June, 2016 in the annual general meeting held on 20.09.2013.

#### General shareholder information

- ❖ **Address of Registered office of the Company:**  
1<sup>st</sup> Floor, Bandukwala Building, British Hotel Lane Fort, Mumbai 400001
- ❖ **Forthcoming Annual General Meeting:**

Date & time of meeting	:	Saturday, 27 <sup>th</sup> September, 2014 at 4.00 P.M.
Venue of the meeting	:	1 <sup>st</sup> Floor, Bandukwala Building, British Hotel Lane Fort, Mumbai 400001 M.H.
Last date for receipt of proxy forms	:	25 <sup>th</sup> September, 2014
- ❖ **Financial Calendar** : 1<sup>st</sup> April to 31<sup>st</sup> March

Annual General Meeting	27 <sup>th</sup> September, 2014
<b>Results for the quarter ended</b>	
1 <sup>st</sup> Quarter ending 30 <sup>th</sup> June, 2014 (First quarter)	Before 14 <sup>th</sup> Aug. 2014
2 <sup>nd</sup> Quarter ending 30 <sup>th</sup> Sept, 2014 (Second quarter)	Before 14 <sup>th</sup> Nov. 2014
3 <sup>rd</sup> Quarter ending 31 <sup>st</sup> Dec, 2014 (Third quarter)	Before 14 <sup>th</sup> Feb. 2015
4 <sup>th</sup> Quarter ending 31 <sup>st</sup> Mar, 2015 (Fourth quarter and Annual)	Before 30 <sup>th</sup> May 2015

- ❖ **Book Closure:**  
The book closure period is from Wednesday 24<sup>th</sup> September, 2014 to Saturday 27<sup>th</sup> September, 2014 (both days inclusive).
- ❖ **Dividend Payment:**  
Dividend, if any, declared in the forthcoming Annual general Meeting will be paid after 28<sup>th</sup> September, 2014.
- ❖ **Transfer Unpaid/Unclaimed amount Dividend to Investor Education and Protection fund:**  
Those members who have so far not encashed their dividend warrants for the below mentioned financial years, may claim or approach the company for payment thereof as the same will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government, pursuant to section 125 of the Companies Act, 2013, (Section 205C of the erstwhile Companies Act, 1956) on the respective dates mentioned below. Intimation in this regard is being sent to the concerned shareholder periodically. Kindly note that after such dates the members will lose their right to claim such dividend.

Financial Year	Date of Declaration	Due date of transfer unpaid dividend to IEPF
2004-05	30.09.2005	Transferred to IEPF
2005-06	30.09.2006	Transferred to IEPF
2006-07	29.09.2007	28.10.2014
2007-08	25.09.2008	24.10.2015
2008-09	29.09.2009	28.10.2016
2009-10	02.09.2010	01.10.2017
2010-11	12.09.2011	11.10.2018
2011-12	14.09.2012	13.10.2019
2012-13	20.09.2013	19.10.2020

❖ **Listing on Stock Exchange**

The Company's equity shares are listed on "The Bombay Stock Exchange Ltd, Mumbai". The Company has paid listing fees for the Financial year 2014-15.

The stock code is as under:

❖ **Name of the Stock Exchange                      Stock Code**

Bombay Stock Exchange, Mumbai                      530585

The ISIN Number of Swastika Investmart Limited on both NSDL and the CSDL is INE691C01014.

❖ **Registrar and Transfer Agents**

Ankit Consultancy Pvt. Ltd.

60, Electronics complex

Pardeshipura, Indore 452010. (M.P.), Ph.0731-2551745/46 Fax: 0731-4065798

❖ **Share Transfer System**

All the transfer received are processed by the Registrar and Share Transfer Agent

❖ **Outstanding GDRs/ADRs/Warrants or any convertible instruments , Conversion date and likely impact on equity:- Not issued**

❖ **Administrative Office and Registered office of the Company (For general assistance)**

48, Jaora Compound, M.Y.H. Road, Indore. 452001.(M.P.)Ph.0731-6644000

1st Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai - 400 001, Maharashtra Ph.: 022-66330000

❖ **SHAREHOLDING PATTERN AS AT 31<sup>ST</sup> MARCH 2014.**

**[SHAREHOLDING PATTERN]**

Category	No. of Share held	Percentage of Shareholding
<b>A Promoters Holding</b>		
1. Promoters		
Indian Promoters:	1877048	63.42
Foreign Promoters:		
2. Persons acting in concert		
<b>Sub Total</b>	<b>1877048</b>	<b>63.42</b>
<b>B. Non-Promoters Holding</b>	-	-
1. Institutional Investors	-	-
2. Mutual Funds and UTI	-	-
3. Banks, Financial Institutions, Insurance Companies [Central/ State Govt. Institutions, Non- Government Institutions]	-	-
4. Flls	-	-
<b>5. Sub-Total</b>	-	-
6. Others	-	-
Private Corporate Bodies	316265	10.69
7. Individuals	-	-
Holding up to Rs. 1.00 lacs	509189	17.20
Holding excess Rs. 1.00 lacs	255196	8.62
8. NRIs/OCBs	2002	0.07
9. Any other [Clearing member]	-	-
<b>Sub-Total</b>	<b>1082652</b>	<b>36.58</b>
<b>Grand Total</b>	<b>2959700</b>	<b>100.00</b>

❖ **Market Price Data:**

April, 2013 to March, 2014 at BSE												
Month	Apr.-13	May.-13	June-13	July-13	Aug.-13	Sept.-13	Oct.-13	Nov.-13	Dec.-13	Jan.-14	Feb.-14	March-14
High	42.00	55.60	61.00	52.15	35.35	49.35	54.60	52.00	42.00	36.15	30.95	32.35
Low	25.00	44.10	49.90	31.65	26.45	37.10	46.90	39.95	37.10	26.35	28.10	26.25

❖ **Distribution of Shareholding by size as on 31<sup>st</sup> March 2014:**

Share or Debenture holding of nominal value of Rs.	Shares/Debenture holders		Shares/Debentures Amount	
	Number	% of Total number	In Rs.	% of Total Amount
Upto-1000	398	40.37	240630	0.81
1001-2000	134	13.59	255220	0.86
2001-3000	65	6.59	184920	0.62
3001-4000	38	3.85	149220	0.50
4001-5000	101	10.24	500170	1.69
5001-10000	116	11.76	946630	3.20
10001-20000	38	3.85	557670	1.88
20001-30000	26	2.64	676420	2.29
30001-40000	5	0.51	182540	0.62
40001-50000	16	1.62	786650	2.66
50001-100000	18	1.83	1127180	3.81
100000 ABOVE	31	3.14	23989750	81.05
<b>Total</b>	<b>986</b>	<b>100.00</b>	<b>29597000</b>	<b>100.00</b>

**SECRETARIAL AUDIT FOR RECONCILIATION OF CAPITAL.**

As stipulated by SEBI a qualified practicing Company Secretary carries out secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the listed stock exchanges. The audit confirms that the total listed and paid-up Capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL/CDSL) and total number of shares in physical form. As on 31<sup>st</sup> March 2014, 96.14% of shares were held in dematerialized form and rest 3.86% in physical form.

**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 management personnel have affirmed compliance with the Code of Conduct. The Code of conduct is posted on the website of the Company i.e [www.swastika.co.in](http://www.swastika.co.in)

**CODE FOR PREVENTION OF INSIDER TRADING PRACTICES**

In Compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1997, as amended till date on prohibition of insider trading, the Company has a comprehensive code of conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences on non-compliance thereof.

**CFO Certification**

The CFO certification of the financial statements and the cash flow statement for the year is obtained and was placed before the Board.

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

The Company has obtained the certificate from the Auditors of the Company regarding compliance with the provisions relating to corporate governance laid down in clause 49 of the Listing Agreement with the stock exchanges. This report is annexed to the Director's Report for the year 2013-2014. This certificate will be sent to the stock exchanges, along with the annual report to be filed by the Company.

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a code of conduct for the Board of Directors and Senior Management of the Company. The same is available on website of the Company as [www.swastika.co.in](http://www.swastika.co.in).

As Managing Director of the Swastika Investmart Limited and as required by clause 49 (1) (D) (ii) of the Listing Agreement of the Stock Exchange in India, I hereby declare that all the Board Members and senior Management personnel of the Company have affirmed compliance with the code of Conduct for financial year 2013-2014.

Place: Indore  
Date: 12.08.2014

Sunil Nyati  
Managing Director  
DIN: 00015963

**CFO CERTIFICATION**

I hereby certify to the Board of Directors of SWASTIKA INVESTMART LIMITED that:

- a. I have reviewed financial statements and the cash flow statement for the year ended on 31/03/2014 and that to the best of my knowledge and belief.
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
  - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the auditors:
  - i. significant changes in internal control over financial reporting during the year;
  - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - iii. instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Indore  
Date: 12.08.2014

FOR SWASTIKA INVESTMART LIMITED

PARTH NYATI  
Chief Financial Officer

## AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined the compliance of conditions of Corporate Governance by **SWASTIKA INVESTMART LIMITED**, for the year ended 31<sup>st</sup> March, 2014, as stipulated in the clause 49 of the Listing agreement entered into by the company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing agreement.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2014, the Registrars of the Company have certified that as at 31<sup>st</sup> March, 2014, there were no investor grievances remaining unattended/pending for more than 30 days.

We further state that such compliance is neither an assurance as to the future viability of the Company nor to the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Indore  
Date: 12.08.2014

**For R.S.Bansal & Company**  
**Chartered Accountants**

**Vijay Bansal**  
**(Partner)**  
**Membership No.75344**



## **Annexure to the Director's Report Management Discussion and Analysis**

### **Indian Economy**

The Indian economy has experienced its worst year in a decade based on various parameters. The country's economy expanded by 4.8% in FY 2013-14, the second successive year of below 5% growth hurt by absence of structured policies, decline in financial savings, sluggish growth in fixed capital formation, persistently high inflation and global slowdown.

Inflation had been uncomfortably high at an average of 9.5% during the FY 2013-14 hitting 11.8% in November 2013 but showed some signs of softening at the end of the year and remains at 8.3% in March 2014. The Central Government has managed to contain its fiscal deficit within its budgeted number in FY 2013-14 and at 4.6% the deficit marks a significant improvement over almost 6% deficit two years back. Indian economic conditions compounded by high fiscal and current account deficits through most of the year causing the rupee to touch an all time low against the dollar of Rs. 68.84 in the month of August 2013. The effective intervention by the Reserve Bank of India, the improving current account deficit was a key factor behind the rebound of the Rupee.

### **Business Overview**

During the year 2013-14, Equity cash trading volumes have declined further and the low yield options segment continues to see growth. Average daily turnover in the equities segment was Rs. 56.3 bn in 2013-14 compared with Rs. 50.4 bn in the previous year; equity market share on NSE was 3.4% in 2013-14 compared to 3.6% in the previous year. This is following the economic slowdown starting from 2012-13 and extending into 2013-14.

Your Company's performance purely depends on the participation of retail clients. Despite of continued fall in cash market volumes and downward margin in broking yields, the Company's profit figures for the year has been increased quite high as compared to the previous year indicating the growth of the Company. Expectations of a stable government and subsequent restarting of the reform process helped the equity markets to regain some of its lost which will help in creating opportunities for the growth of your Company. Your Company has also registered as a Category 1 Merchant Banker with SEBI and started the Portfolio Management Services which will help to increase Company's performance in upcoming year.

### **Strategy and Outlook**

With new government at the Centre with clear majority, there are expectations of stable policies and realistic reforms. The economic growth is likely to accelerate. Financial services sector will be one of major beneficiaries of faster economic growth and favorable investment climate. Investor sentiment has improved and is visible in significant increase in volumes at stock exchanges. The trend is likely to continue and broking business should do well. Therefore outlook for your Company's core business is very positive.

Your Company will be focusing on activation of inactive accounts along with acquiring fresh clients into the capital markets. Your Company expects a great revival of IPO/FPO market which is expected to bring retail investors in the market. Your Company is planning to provide wide range of financial services to present and prospective clients under one roof.

### **Risk Management Policies**

Your Company has an adequate risk management policy appropriate to the size and nature of the business. The objective of our risk management policy is to protect the Company from risks associated with the business while simultaneously creating an environment conducive for its growth. It entails a comprehensive estimation, control and review of risks to protect organizational value. Strategies, policies and limits are designed to ensure that risks are properly diversified. Risk mitigating activities are reviewed periodically by Board of Directors. To mitigate risk, your company has diversified its revenue streams by making entry in areas like Merchant banking services, portfolio management services to enhance its revenue generating capacity.

### **Internal control system**

The Company has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The Company has adequate policies and procedures to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. The Company has in place an effective internal audit department which plans and execute variety of audits with own staff. The reports are reviewed by the Board of directors and wherever deemed necessary, internal control systems are strengthened and corrective actions initiated.

### **Human resource management**

At Swastika, we recognize that human capital drives the Company's business model. Therefore, your Company is continuously striving to attract and retain the best talent, clearly define their roles and responsibilities, provide training to increase employee knowledge and development skills to make them ready for future.

Efforts are made to ensure employee performance through improvement programs and coaching for passing relevant industry certifications. Management has always taken efforts to provide equal opportunities and harassment free environment to the employees and also provides enough focus on Work Life Balance.

### **Financial and Operational Performance**

Financial and Operational Performance forms part of the annual report and is presented elsewhere in this report.

### **Cautionary statement**

Statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties.

These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and Government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

## **SECRETARIAL COMPLIANCE CERTIFICATE**

### **(See Rule 3)**

CIN No. L65910MH1992PLC067052  
Nominal Capital. Rs. 500.00 Lacs  
Paidup share capital Rs. 295.97 Lacs

To,  
The Members  
**M/S. SWASTIKA INVESTMART LIMITED.**  
1<sup>st</sup> Floor Bandukwala Building,  
British Hotel Lane Fort,  
Mumbai (M.H.)

We have examined the registers, records, books and papers of **M/S. SWASTIKA INVESTMART LIMITED** as required to be maintained under the Companies Act, 1956, (herein after called Act) and Companies Act, 2013 as may be applicable (only those sections of the Companies Act, 2013 have been considered which have been notified and applicable till 31<sup>st</sup> March, 2014) and rules made there under and also the provisions contained in the Memorandum and Article of Association of the Company for the financial year ended on **31<sup>st</sup> March, 2014**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

- 1 The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
- 2 The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Maharashtra with in time as prescribed under the Act with additional fee wherever necessary as prescribed under the Act and rules made there under.
- 3 The Company, being a Public Limited Company, Comments are not required. Company having a prescribed share capital of Rs.295.97 Lacs and the restrictive provisions of section 3(1)(iii) of the Act are not applicable.
- 4 The Board of Directors duly met eleven times on **2<sup>nd</sup> April, 2013, 14<sup>th</sup> May, 2013, 14<sup>th</sup> June, 2013, 7<sup>th</sup> August, 2013, 10<sup>th</sup> September, 2013, 24<sup>th</sup> September, 2013, 28<sup>th</sup> October, 2013, 13<sup>th</sup> November, 2013, 7<sup>th</sup> February, 2014, 14<sup>th</sup> March, 2014 and 31<sup>st</sup> March, 2014** respectively in respect of which, meeting proper notices were given and the proceedings were properly recorded and signed.
- 5 The Company closed its Register of Members from Monday, 16<sup>th</sup> September 2013 to Friday 20<sup>th</sup> September 2013 (both days inclusive) for the purpose of Annual General Meeting and Dividend and necessary compliance of section 154 of the Act has been made.
- 6 The Annual General Meeting for the financial year ended on 31<sup>st</sup> March 2013 was held on **20<sup>th</sup> September, 2013** giving due notice to the members of the Company and resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- 7 No Extra Ordinary General Meeting was held during the financial year.
- 8 The Company has not given advance or loan to any of its Directors or persons or companies referred in section 295 of the Companies Act, 1956 read with section 185 of the Companies Act, 2013 except ordinary course of business.
- 9 As informed by Management, except in normal course business transactions payment of expenses on behalf of subsidiary company, the Company has not entered into any contracts falling within the purview of section 297 of the Act.
- 10 The Company has made necessary entries in the register maintained under section 301(3) of the Act.
- 11 As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approval from the Board of Directors, members or central government.
- 12 The Company has issued duplicate share certificate during the financial year in accordance with the provision of the Act.
- 13 The Company has:
  - i) not allotted any securities during the financial year. However company has delivered all the certificate on lodgment thereof for transfer/ transmission or any other purpose in accordance with the provision of the Act.
  - ii) deposited the amount of dividend declared during the year in separate bank account.
  - iii) posted/paid warrants for dividends to all the members entitled for dividend within a period of 30 days from the date of declaration and that all unclaimed/unpaid dividends has been transferred to Unpaid Dividend account of the Company in prescribed time.

- iv) has transferred the amounts of application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
  - v) duly complied with the requirements of section 217 of the Act.
- 14 The Board of Directors of the Company is duly constituted and appointment of Additional Director was made in accordance with the provisions of the Act and there was no appointment of alternate Director and Directors to fill casual vacancy during the financial year.
- 15 The appointment of Managing Director/Whole time Director/Executive Director has been made in compliance with the provision of section 269 read with Schedule XIII to the Act wherever required.
- 16 The Company has not appointed any sole selling agent during the financial year of the Company.
- 17 The Company has not obtained any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
- 18 The Directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
- 19 The Company has not issued any shares, debentures or other securities during the financial year.
- 20 The Company has not bought back any shares during the financial year.
- 21 The company does not have any preference share capital nor it has issued any debentures and therefore, the question of redemption of the same does not arise.
- 22 There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 23 The Company has not invited/accepted any deposits including any unsecured loan falling within the purview of section 58A of the Act, read with the Companies (Acceptance of Deposits) Rules, 1975. However company has received amount towards customer deposit.
- 24 The Company has not made any borrowing during the financial year ended 31<sup>st</sup> March 2014 exceeding the limit prescribed under section 293(1)(d) of the Act read with section 180 (1) (c) of the Companies Act 2013.
- 25 The Company has made loans and investments to other body corporate in compliance of the Provisions of the Act but Company has not given any guarantees or provides securities to other body corporate during the financial year.
- 26 The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another state during the year under scrutiny.
- 27 The Company has not altered the provisions of the Memorandum with respect to objects of the Company during the year under scrutiny.
- 28 The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
- 29 The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
- 30 The Company has not altered its Articles of Association during the financial year.
- 31 There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
- 32 As per information provided by the management, the Company has not received any money as security from its employees during the financial year.
- 33 The Company has generally deposited both employee's and employer's contribution to provident fund with prescribed authorities pursuant to section 418 of the Act.

For L.N.Joshi & Co.  
Company Secretaries

Place: Indore  
Date: 12<sup>th</sup> August, 2014

L.N.Joshi  
C.P. No.: 4216

## Annexure A

CIN No. L65910MH1992PLC067052  
Nominal Capital. Rs. 500.00 Lacs

Registers as maintained **M/S. SWASTIKA INVESTMART LIMITED**

### Statutory Register

1. Register of Members U/s 150 and Register of Index of Members U/s.151 under the Companies Act, 1956.
  2. Registers and Returns under section 163 of Companies Act, 1956.
  3. Minutes Book of Meeting under Sec 193 of the Act.
  4. Books of Accounts U/s 209 of Companies Act, 1956.
  5. Register maintained u/s 301(3) of the Act.
  6. Register of Directors under section 303 of the Act.
  7. Register of Directors' Shareholding under section 307 of the Act.
  8. Register maintained u/s 372A of Companies Act, 1956.
  9. Register of Charges.
- 

### Other Registers

1. Register of Share Transfer/ Transmission.
2. Register of Shareholder's attendance.
3. Register of Proxies.

**For L.N.Joshi & Co.  
Company Secretaries**

**Place: Indore  
Date: 12<sup>th</sup> August, 2014**

**L.N.Joshi  
C.P. No.: 4216**



## Annexure B

Forms and Returns as filed by the Company with Registrar of Companies, Maharashtra during the financial year ending 31<sup>st</sup> March 2014.

S. No.	Form No/ Return	Filed u/s	For	Date of Filing & ROC Receipt No.	Whether filed Within Prescribed Time Yes/No	If delay in filing Whether requisite Additional fee Paid Yes/No.
1.	Form 23	269 read with 197, 309 & 310	Re-appointment of Managerial Persons (Sunil Nyati and Anita Nyati)	29.06.2013 B78291630	Yes	No
2.	E-Form 25C	269(2) and schedule XII	Re-Appointment of Mr.Sunil Nyati as a Managing Director	29.06.2013 B78291952	Yes	No
3.	E-Form 25C	269(2) and schedule XII	Re-Appointment of Mrs.Anita Nyati as a whole time Director	29.06.2013 B78292182	Yes	No
4.	Form 23	192	Registration of Resolution u/s.197, 269, 309,310 & 311	26.09.2013 B85419281	Yes	No
5.	Secretarial Compliance Certificate Form No. 66	383A	F.Y.2012-2013	26.09.2013 Q11720661	Yes	No
6.	Annual Return Form No. 20B)	159	F.Y.2012-2013 AGM: 20.09.2013	11.10.2013 Q13282082	Yes	No
7.	E-Form 32	303	Appointment of Additional Director	12.10.2013 B86690120	Yes	No
8.	Form 1 INV (Statement of amount credit to IEPF Fund) and challan for deposit the unpaid dividend amount	205C & Rule 3 of IEPF Rule 2001	Unclaimed Dividend amount for year 2005-06	05.11.2013 B88385497 31.10.2013 B88218540	Yes	No
9.	Balance Sheet (Form No. 23AC & 23ACA in XBRL form)	220	F.Y.2012-2013	16.11.2013 Q23657216	No	Yes
10.	Form 5 INV (Statement of unclaimed and unpaid amounts)	Rule 3 of IEPF Rule 2012	F.Y.2012-2013 AGM: 20.09.2013	25.02.2014 S29407665	Yes	No

For L.N.Joshi & Co.  
Company Secretaries

Place: Indore  
Date: 12<sup>th</sup> August, 2014

L.N.Joshi  
C.P. No.: 4216

## INDEPENDENT AUDITOR'S REPORT

To,  
The Member,  
Swastika Investmart Limited.  
Mumbai

### Report on the Financial Statements:

We have audited the accompanying financial statements of **SWASTIKA INVESTMART LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- 2) As required under provisions of section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;
  - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

**For : R.S.BANSAL & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FRN: 000939C**

**Place : Indore**  
**Dated : 17-05-2014**

**VIJAY BANSAL**  
**PARTNER**  
**M.N.075344**

## ANNEXURE TO INDEPENDENT AUDITORS' REPORT

### Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Swastika Investmart Ltd. for the year ended on 31.03.2014

As required by the Companies Auditor's Report Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we further report that :-

**1. In respect of its fixed assets:**

- a) As informed to us, the company has maintained records, on yearly basis, showing particulars, including quantitative details and situation of fixed assets, however for certain block of assets the records maintained are pending for updation. The records have been maintained on computer system.
- b) As informed to us, the company has physically verified fixed assets during the year. According to information and explanation given to us, no material discrepancies were noticed on such verification.
- c) In our opinion and according to the information and explanation given to us, the company has not disposed off substantial assets during the year which has affected its status as going concern.

**2. In respect of its inventories:**

- a) The inventory of the company comprising of shares and securities, which have been physically verified during the year by the management at regular interval.
- b) In our opinion and according to the information and explanation given to us, the procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- c) In our opinion and according to the information and explanation given to us, the company has maintained proper records of its inventories. No material discrepancies have been noticed on physical verification of stock as compared to book records.

**3. In respect of loans secured or unsecured granted or taken by the company:**

- a) As per information and explanation given to us, the Company has not granted any loan, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 301 of the Act. Hence clause 4(iii) (a), (b) & (c) are not applicable.
- b) As per information and explanation given to us, the Company has obtained unsecured loans from parties covered under Section 301. The details are as under:

Name	Maximum Amount (In Rs.)	Amount Outstanding (In Rs.)
Swastika Fin-Mart Pvt. Ltd.	41,85,000/-	NIL
Sunil Nyati	60,00,000/-	NIL
Anita Nyati	10,00,000/-	NIL

- c) The Company has not paid any interest on such loan. As per the information provided to us, the other terms & conditions are generally not prejudicial to the interest of the Company.
  - d) As per information and explanation given to us, there was no stipulation as to payment of principal & interest. Hence we are unable to comment on this clause.
- 4. In our opinion and according to the information and explanations given to us, there are adequate Internal Control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of services.**

5. As explained & informed to us Company has entered all transactions, which are required to be entered in the register maintained in pursuant of the Section 301 of the Companies Act, 1956.
6. In our opinion and according to the information and explanations given to us, the Company neither accepted nor invited any deposits from public within the provision of Section 58A, 58AA of Companies Act, 1956 and rules made there under. As explained and informed to us no order against the company has been passed by Company Law Board, National Company Law Tribunal or Reserve Bank India or any Tribunal or Court.
7. As explained and informed to us, the company has its own system for Internal Audit, which seems to be reasonable looking at the size and nature of its business.
8. As informed to us, the Central Government has not prescribed the maintenance of cost record U/s 209 (1) (d) of the Companies Act, 1956.

9. In respect of Statutory Dues:

- a) According to information and explanations given to us, there are no disputed statutory dues payable in respect of Provident Fund, Employee's State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty & Cess, Investor Education and Protection Fund, which are outstanding for a period of more than 6 months as at the last date of financial year from the date they became payable, except to the following :

S.No.	Particulars	Amount(in Rs.)
1.	Income Tax on Assessment ( A.Y. 2008-09 & 2009-10)	3,94,000/-
2.	Income Tax on Assessment ( A.Y. 2010-11)	67,700/-

- b) According to information and explanations given to us, there are no dues towards Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty & Cess which have not been deposited on account of any dispute, except the following-

Name of the Statue	Forum where Dispute is pending	Period to which the amounts relates	Amount in Rs.
Income Tax Act	CIT(A)-8,Mumbai	F.Y. 2010-11(A.Y. 2011-12)	69,62,560/-
Income Tax Act	ITAT	F.Y.2006-07 (A.Y. 2007-08)	93,375/-
Finance Act, 1944 (for Service Tax)	C.C., CE & ST, Indore	F.Y.2005-06 to F.Y.2007-08.	30,89,019/-
SEBI Act, 1992	Securities Appellate Tribunal (SAT)	10/10/2008 to 20/11/2008	7,00,000/-

10. As informed and explained to us, there is no accumulated cash losses of the company. Further, the Company has not incurred any cash losses during the period covered by the report and immediately preceding the financial year.
11. Based on our audit and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of any loan from Financial Institutions or Banks.
12. According to the information and explanation given to us, the Company has not given any loans and advances on the basis of security by way of Pledge of Shares, debentures and other securities.
13. In our opinion, the Company is not a Chit/Nidhi/Mutual Benefit Fund/Society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. According to the information and explanations given to us, the company is dealing or trading in share, securities, debentures and other investments. In our opinion, proper records have been maintained of the transactions and contracts and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the company, in its own name as per the provisions of section 49 of the Act.
15. According to the information and explanation given to us, the Company has not given any guarantee in respect of loan taken by others from any banks or financial institutions.



16. According to the information and explanations given to us, the company has not taken any term loan during the period covered under audit. Accordingly, the provisions of clause (xvi) of paragraph of the Order, 2003 are not applicable to the company.
17. According to the information and explanations given to us, and based on documents provided to us, we are of the opinion that no short-term fund has been utilized for long term investment.
18. We are informed that, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Act.
19. According to the information and explanations given to us and records examined by us, the Company has not issued debentures and hence regarding creation of securities in respect of debentures issued does not arise.
20. The Company has not raised any money by public issue of shares during the period.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the period.

**For : R.S.BANSAL & COMPANY**  
**CHARTERED ACCOUNTANTS**  
**FRN: 000939C**

**Place : Indore**  
**Dated : 17-05-2014**

**VIJAY BANSAL**  
**PARTNER**  
**M.N.075344**

## BALANCE SHEET AS AT 31.03.2014

PARTICULARS	Note No.	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	2	29,825,500	29,825,500
(b) Reserves and Surplus	3	93,074,489	89,835,583
		<b>122,899,989</b>	<b>119,661,083</b>
<b>2 Non-current Liabilities</b>			
(a) Deferred Tax Liabilities (Net)		2,609,705	2,764,094
(b) Long-term Provisions	4	988,356	647,378
		<b>3,598,061</b>	<b>3,411,472</b>
<b>3 Current Liabilities</b>			
(a) Short-term Borrowings	5	141,255,777	191,443,325
(b) Trade Payables	6	241,937	563,272
(c) Other current Liabilities	7	326,170,269	201,916,226
(d) Short-term Provisions	8	18,818,355	10,900,920
		<b>486,486,338</b>	<b>404,823,743</b>
<b>TOTAL</b>		<b>612,984,388</b>	<b>527,896,298</b>
<b>II. ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Fixed Assets	9		
(i) Tangible Assets		30,954,813	26,854,364
(ii) Intangible Assets		6,338,599	7,603,386
(b) Non-current Investments	10	70,842,582	61,030,395
(c) Long-term Loans and Advances	11	18,448,720	18,092,720
(d) Other Non-current Assets	12	1,926,534	960,675
		<b>128,511,248</b>	<b>114,541,540</b>
<b>2 Current Assets</b>			
(a) Inventories	13	12,704,990	10,537,326
(b) Trade Receivables	14	406,153,014	336,524,122
(c) Cash and Bank Balances	15	43,210,160	47,223,295
(d) Short-term Loans and Advances	16	19,174,394	17,528,722
(e) Other Current Assets	17	3,230,582	1,541,293
		<b>484,473,140</b>	<b>413,354,758</b>
<b>TOTAL</b>		<b>612,984,388</b>	<b>527,896,298</b>
Significant Accounting Policies	1		
Other Notes to Financial Statements	24		

As per our Separate Report Attached  
For R.S. BANSAL & CO.  
CHARTERED ACCOUNTANTS  
FRN : 000939C

For & on behalf of the Board of Directors  
Swastika Investmart Limited

VIJAY BANSAL  
Partner  
M. No. 075344

Sunil Nyati  
(Managing Director)  
DIN : 00015963

Anita Nyati  
(Whole Time Director)  
DIN : 01454595

Place: Indore  
Date : May 17, 2014

## Statement of Profit and Loss for the year ended 31.03.2014

PARTICULARS	Note No.	For the year ended 31.3.2014 ₹	For the year ended 31.3.2013 ₹
I. Revenue from Operations	18	125,265,019	125,021,657
II. Other Income	19	15,386,057	7,225,913
III. Total Revenue (I + II)		<b>140,651,076</b>	<b>132,247,570</b>
IV. Expenses:			
Purchases of Shares and Securities		6,474,190	4,136,538
Decrease/(Increase) in inventories of Shares and Securities		(2,167,664)	(18,885)
Employee Benefits Expense	20	44,911,544	38,317,022
Finance Costs	21	13,102,812	17,840,713
Depreciation and Amortization Expense		6,141,088	7,295,433
Other Expenses	22	65,117,563	68,096,215
Total Expenses		<b>133,579,533</b>	<b>135,667,036</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		<b>7,071,543</b>	<b>(3,419,466)</b>
Exceptional Items	23	3,101,131	3,701,522
VI. Profit before extraordinary items and tax		<b>10,172,674</b>	<b>282,056</b>
VII. Extraordinary Items		-	-
VIII Profit before tax (VI- VII)		<b>10,172,674</b>	<b>282,056</b>
IX Tax expense:			
(1) Current tax		3,648,320	57,540
(2) Deferred tax		(154,389)	(459,864)
X Profit for the period (VIII-IX)		<b>6,678,743</b>	<b>684,380</b>
XI Earnings per equity share:			
(1) Basic		2.26	0.23
(2) Diluted		2.26	0.23

Significant Accounting Policies

1

Other Notes to Financial Statements

24

As per our Separate Report Attached  
For R.S. BANSAL & CO.  
CHARTERED ACCOUNTANTS  
FRN : 000939C

For & on behalf of the Board of Directors  
Swastika Investmart Limited

**VIJAY BANSAL**  
Partner  
M. No. 075344

**Sunil Nyati**  
(Managing Director)  
DIN : 00015963

**Anita Nyati**  
(Whole Time Director)  
DIN : 01454595

Place:Indore  
Date : May 17, 2014

## CASH FLOW STATEMENT

CASH FLOW STATEMENT	For the year ended 31.3.2014 ₹	For the year ended 31.3.2013 ₹
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	10,172,674	282,056
Adjustments for :		
Extraordinary Items		
Excess Provision Written Back	(24,437)	(17,295)
Excess Depreciation Written Back	(3,076,694)	(3,684,227)
Net Profit before Tax and Extra Ordinary items	7,071,543	(3,419,466)
Adjustments to reconcile Net Profit before Tax to cash provided by Operating activities		
Depreciation	6,141,088	7,295,433
Wealth Tax	23,670	30,263
(Profit ) / Loss on sale of investments	4,326,891	-
(Profit ) / Loss on sale of investments	(811,008)	-
(Profit ) / Loss on sale of Fixed Assets	(9,376)	23,545
Dividend income	(797,894)	(700,325)
Interest Income	(3,083,163)	(4,298,272)
Interest Expenses	12,635,623	17,222,495
Operating profit before Working Capital Changes	25,497,374	16,153,673
Adjustments for :		
Short-term Borrowings	(50,187,548)	34,486,954
Trade Payables	(321,335)	(167,284)
Other Current Liabilities	124,320,205	(22,430,166)
Short-term Provisions	4,351,018	1,057,493
Long-term Provisions	340,978	249,048
Inventories	(2,167,664)	(18,885)
Trade Receivables	(69,628,891)	24,555,443
Short-term Loans and Advances	979,470	(1,614,274)
Other Current Assets	(1,689,290)	(982,795)
Other Non Current Assets	(965,859)	(784,313)
Cash Generated from Operations	30,528,458	50,504,893
Direct Taxes Paid	(2,706,348)	(2,310,976)
Cash Flow before Extra -ordinary items	27,822,110	48,193,918
Net Cash Flow from Operating Activities (A)	27,822,110	48,193,918
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(6,198,930)	(5,985,188)
Proceeds from Sale of Fixed Assets	308,250	323,290
Purchase of Investments (Shares and Securities)	(18,023,743)	(3,494,836)
Fixed deposit	(3,427,803)	(521,016)
Proceeds from Sales of Investments	4,695,670	-
Loans & advances	(356,000)	(1,305,360)
Dividend Received	797,894	700,325
Interest Received	3,083,163	4,298,272
Net Cash flow from Investing Activities (B)	(19,121,499)	(5,984,513)

CASH FLOW STATEMENT	For the year ended 31.3.2014 ₹	For the year ended 31.3.2013 ₹
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(12,635,623)	(17,222,495)
Dividend & Dividend Tax	(3,505,926)	(3,502,267)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(16,141,549)</b>	<b>(20,724,762)</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(7,440,938)</b>	<b>21,484,643</b>
Cash & Cash Equivalents (Opening)	26,702,279	5,217,636
Cash & Cash Equivalents (Closing)	<b>19,261,341</b>	<b>26,702,279</b>

NOTES: 1) Previous year figures have been regrouped / rearranged wherever necessary

2) Cash & Cash Equivalents as on 31.03.2014 includes Unclaimed Dividend of Rs.631,432 (Previous Year-Rs. 786,628).

As per our report of even date  
FOR R.S. BANSAL & COMPANY

For & on behalf of the Board of Directors

Chartered Accountants  
FRN : 000939C

Swastika Investmart Limited

VIJAY BANSAL  
(Partner)  
Membership No: 75344

Sunil Nyati  
(Managing Director)  
DIN : 00015963

Anita Nyati  
(Whole Time Director)  
DIN : 01454595

Place : Indore  
Date : 17.05.2014

## **NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES**

### **1.1. a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) and in compliance with the Accounting Standard referred to in section 211 (3C) and other requirements of the Companies Act, 1956.

### **b) USE OF ESTIMATES:**

The Preparation of Financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known.

### **1.2. EMPLOYEE BENEFITS:**

#### **(a) Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, bonus, incentives, etc. are recognized in the period in which the employee renders the related services.

#### **(b) Post- Employment Benefits**

(i) **Defined Contribution Plans:** The Company's contribution paid/payable under the Provident Fund Scheme is recognized as expense in the Statement of profit and loss during the period in which the employee renders the related service.

(ii) **Defined Benefit Plans:** The Company has taken Group Gratuity Cash Accumulation Policy issued by the Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation as advised by LIC, using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are as advised by LIC. The Actuarial gains or losses are recognized immediately in the Statement of Profit & Loss.

### 1.3. PROVISION FOR CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provision involving a substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Financial Statements. Contingent Assets are neither recognized nor disclosed in the financial statements.

### 1.4. REVENUE RECOGNITION

- a) Brokerage from secondary market is recognized as per contracted rates on the execution of transactions on behalf of the clients on the trade date and is exclusive of Service Tax and Securities Transaction Tax(stt) wherever applicable.
- b) Income from Sale of Shares and Securities is recognized on the date of billing of the relevant transactions.
- c) Income from Depository operations is accounted on accrual basis.
- d) Equity Index / Stock Future/Currency Futures
  - Equity Index / Stock Futures/ Currency Futures are marked to market on a daily basis. Debit or Credit balance disclosed under Loans and Advances or Current Liabilities, respectively, in the Mark to Market Margin Equity Index / Stock Futures/Currency Account, represents the net amount paid or received on the basis of movement in the process of Index / Stock futures /Currency Futures till the balance sheet date.
  - As on the Balance Sheet, Profit / Loss on open position in Equity Index /Stock Futures/Currency Futures is accounted as follows:
  - Credit balance in the Mark-to-Market Margin Equity Index/ Stock Futures /Currency Futures Account, being the anticipated Profit, is ignored and no Credit for the same is taken in the Profit and Loss Account.
  - Debit balance in the Mark-to-Market Margin Equity Index/ Stock Futures//Currency Futures Account, being the anticipated loss, is provided in the Profit and Loss Account.
  - On final settlement or squaring up of contracts for Equity Index/ Stock Futures/ Currency Futures, the Profit or Loss is calculated as the difference between the settlement / squaring up price and the contract price. Accordingly, debit or credit balance pertaining to the settled /squared - up contract in Mark to Market Margin - Equity Index/ Stock Futures /Currency Futures Account after adjustment of the provision for anticipated losses is recognized in the Profit and Loss Account. When more than one contract in respect of the relevant series of Equity Index/ Stock Futures /Currency Futures contract to which the squared up contract pertains is outstanding at the time of the squaring up of the contract, the contract price of the contract so squared up is determined using the weighted average cost method for calculating the Profit / Loss on Squaring up.
- e) Option Contracts
  - At the time of final settlement Premium paid/ received is recognized as an expense/ income on exercise of Option .Further, difference between the final settlement price as on the exercise/ expiry date and the strike price is recognized as Income / Loss.
  - At the time of squaring off difference between the premium paid and received on squared off transaction is treated as Profit or Loss.
- f) Income from Delay Pay in Charges and Interest is recognized on a time proportion basis.

- g) Dividend income is recognized only when the right to receive is established.
- h) Advisory fees and other income are accounted on accrual basis, net of service tax.

#### **1.5 FIXED ASSETS AND DEPRECIATION**

- a) Fixed Assets are stated at cost of acquisition including incidental expenses related to such acquisition and installation less accumulated depreciation.
- b) Depreciation is provided under the straight-line method at the rates specified in Schedule XIV of the Companies Act 1956. In cases where the useful lives are estimated to be lower than those considered in determining the rates specified in that Schedule, depreciation is provided under the straight-line method over the useful lives of the assets. V-SAT is depreciated @ 10% p.a. on Straight Line Basis.
- c) Membership Rights in Stock Exchanges are amortized on straight- line basis over a period of 20 years according to the Management decision on the basis of its useful life.
- d) Other Intangible assets are stated at cost and are amortized on straight-line basis over the period of 6 years on the basis of useful life determined as per the economic benefit of the asset.

#### **1.6 INVESTMENTS**

Investments are stated at cost of acquisition since they are long term in nature.

#### **1.7 STOCK- IN- TRADE**

Stock in- trade of shares & securities are valued at lower of the cost or market value on individual scrip by scrip basis.

#### **1.8 TAXES ON INCOME**

- a) Tax on income for the current period is determined on the basis of estimated taxable income in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes & accounting income that originate in one period and are capable of reversal in one or more subsequent period.
- c) Deferred Tax assets are recognized and carried forward only to the extent that there is a reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### **1.9 IMPAIRMENT OF ASSETS**

At each balance sheet date, the management reviews the carrying amount of all the assets to determine whether there is any indication that those assets were impaired .If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. And the impairment loss, if any, is debited to the Statement of Profit and Loss.

## NOTE - 2 : SHARE CAPITAL

PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>A : Authorised, Issued, Subscribed and Paid Up</b>		
<b>Authorised</b>		
5,000,000 Equity Shares of Rs. 10 each (Previous Year 5,000,000 Equity Shares of Rs. 10 each)	50,000,000	50,000,000
<b>Issued</b>		
2,959,700 Equity Shares of Rs.10 each (Previous Year 2,959,700 Equity Shares of Rs. 10 each)	29,597,000	29,597,000
<b>Subscribed &amp; Paid up</b>		
2,959,700 Equity Shares of Rs.10 each fully paid (Previous Year 2,959,700 Equity Shares of Rs. 10 each)	29,597,000	29,597,000
<b>Add : Share Forfeiture</b>	228,500	228,500
<b>Total</b>	<b>29,825,500</b>	<b>29,825,500</b>

The Company has only one class of shares i.e. equity shares with equal rights for dividend and repayment. Each holder of shares is entitled to one vote per share. Dividend on equity shares whenever proposed by the board of Directors is subject to the approval of the shareholders in the Annual general meeting.

### B : Reconciliation of the number of Shares as at the beginning and at the end of the Financial Year

Particulars	Equity Shares As at 31 March 2014		Equity Shares As at 31 March 2013	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	2,959,700	29,597,000	2,959,700	29,597,000
Shares outstanding at the end of the year	2,959,700	29,597,000	2,959,700	29,597,000

### C : ShareHolders holding more than 5% of Shares

Name of the Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sunil Nyati	398,900	13.48	398,900	13.48
Anita Nyati	298,000	10.07	298,000	10.07
Devashish Nyati	287,000	9.70	287,000	9.70
Parth Nyati	287,000	9.70	287,000	9.70
Anil Nyati	154,400	5.22	154,400	5.22



PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>NOTE 3 : RESERVES AND SURPLUS</b>		
<b>General Reserve</b>		
Opening Balance	86,941,419	86,941,419
(+) Current Year Transfer	-	-
<b>Closing Balance (A)</b>	<b>86,941,419</b>	<b>86,941,419</b>
<b>Surplus of Statement of Profit and Loss</b>		
Opening balance	2,894,164	5,649,548
(+) Net Profit for the current year	6,678,743	684,380
	<b>9,572,907</b>	<b>6,333,928</b>
<b>Less: Appropriations during the year:</b>		
Proposed Dividends	2,959,700	2,959,700
Dividend Distribution Tax	480,137	480,064
Transfer to General Reserves	-	-
<b>Closing Balance (B)</b>	<b>6,133,070</b>	<b>2,894,164</b>
<b>Grand Total (A+B)</b>	<b>93,074,489</b>	<b>89,835,583</b>
<b>NOTE 4 : LONG TERM PROVISIONS</b>		
<b>(a) Provision for Employee Benefits</b>		
Gratuity	988,356	647,378
<b>Total (A)</b>	<b>988,356</b>	<b>647,378</b>
<b>NOTE 5 : SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
<b>(a) Loans repayable on demand</b>		
<b>From other parties</b>		
(i) Investmarts Financial Services Limited	-	114,116,706
(ii) Aditya Birla Finance Limited	79,954,804	55,441,912
(Secured By Pledge of Own Shares & Shares held in Clients' beneficiary account)		
<b>Total (A)</b>	<b>79,954,804</b>	<b>169,558,618</b>
<b>Unsecured</b>		
(a) ICICI Bank	42,052,775	-
(b) Business Deposits from Sub Broker / Associates	19,248,198	21,884,707
<b>Total (B)</b>	<b>61,300,973</b>	<b>21,884,707</b>
<b>Total (A+B)</b>	<b>141,255,777</b>	<b>191,443,325</b>
<b>NOTE 6 : TRADE PAYABLES</b>		
<b>(i) Creditors for Expenses</b>		
	241,937	563,272
<b>Total</b>	<b>241,937</b>	<b>563,272</b>

PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>NOTE 7 : OTHER CURRENT LIABILITIES</b>		
(a) Unpaid dividends		
FY 05-06	-	137,320
FY 06-07	179,451	179,451
FY 07-08	148,319	149,769
FY 08-09	98,656	98,656
FY 09-10	68,249	69,699
FY 10-11	58,292	59,742
FY 11-12	89,034	91,784
FY 12-13	78,258	-
(b) Other Payables		
Credit Balances of Clients	325,450,010	201,129,805
<b>Total</b>	<b>326,170,269</b>	<b>201,916,226</b>
<b>NOTE 8: SHORT TERM PROVISIONS</b>		
(a) Provision for Employee Benefits		
Salary & Reimbursements	4,294,747	3,475,626
Contribution to PF	16,427	19,532
<b>Total (A)</b>	<b>4,311,174</b>	<b>3,495,158</b>
(b) Others		
Income Tax	3,648,320	57,540
Dividend Payable	2,959,700	2,959,700
Dividend Tax Payable	480,137	480,064
Wealth Tax Payable	23,670	30,263
Income Tax on Assessment Payable (AY 08-09 and AY 09-10)	394,000	394,000
Provision for Income Tax 2009-10 (A.Y. 2010-11)	67,700	67,700
Interest Payable	1,656,106	-
Auditors Remuneration Payable	171,000	171,000
Contribution to IPF	2,002	1,370
Electricity Expenses	144,197	185,034
General Expenses	1,377,108	304,324
Telephone Expenses	75,190	62,333
V SAT Expenses	8,000	16,000
Professional Tax	23,786	24,417
TDS	1,614,457	1,320,741
Expenses payable to Exchange	1,861,808	1,331,276
<b>Total (B)</b>	<b>14,507,181</b>	<b>7,405,762</b>
<b>Total (A+B)</b>	<b>18,818,355</b>	<b>10,900,920</b>

**NOTE"9"-FIXED ASSETS**
**DEPRECIATION CHART AS PER SCHEDULE XIV OF COMPANIES ACT 1956 AS ON 31.03.2014**

PARTICULARS	GROSS BLOCK				DEPRECIATION				( Amount in Rs.)	
	AS AT 01.04.2013	ADDITION	DEDUCTION	AS AT 31.03.2014	AS AT 1.04.2013	For the Year 2013-14	WRITTEN BACK	AS AT 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
<b>A.Tangible Assets</b>										
CAR	8,502,174	210,000	329,163	8,383,011	2,475,908	817,033	276,979	3,015,962	5,367,049	6,026,266
COMPUTER	17,686,162	2,155,357	40,800	19,800,719	14,923,137	2,064,480	3,115,707	13,871,910	5,928,809	2,763,025
FURNITURE	13,021,423	1,564,578	30,800	14,555,201	4,133,028	871,751	16,021	4,988,758	9,566,443	8,888,395
SCOOTER	239,816	-	-	239,816	199,888	22,783	-	222,671	17,145	39,928
AIR CONDITINOR	1,472,297	69,500	-	1,541,797	492,805	72,838	-	565,643	976,154	979,492
OFFICE EQUIPMENT	9,564,277	1,844,405	317,440	11,091,242	1,986,799	513,566	87,316	2,413,049	8,678,193	7,577,478
V-SAT	1,587,603	-	-	1,587,603	1,007,823	158,760	-	1,166,583	421,020	579,780
<b>TOTAL-A</b>	<b>52,073,752</b>	<b>5,843,840</b>	<b>718,203</b>	<b>57,199,389</b>	<b>25,219,388</b>	<b>4,521,211</b>	<b>3,496,023</b>	<b>26,244,576</b>	<b>30,954,813</b>	<b>26,854,364</b>
<b>B.Intangible Assets</b>										
INTANGIBLE ASSET	17,883,998	355,090	-	18,239,088	15,164,464	1,244,377	-	16,408,841	1,830,247	2,719,534
BSE CARD	6,500,001	-	-	6,500,001	2,600,000	325,000	-	2,925,000	3,575,001	3,900,001
MCX CARD	1,010,000	-	-	1,010,000	26,149	50,500	-	76,649	933,351	983,851
<b>TOTAL-B</b>	<b>25,393,999</b>	<b>355,090</b>	<b>-</b>	<b>25,749,089</b>	<b>17,790,613</b>	<b>1,619,877</b>	<b>-</b>	<b>19,410,490</b>	<b>6,338,599</b>	<b>7,603,386</b>
<b>GRAND TOTAL</b>	<b>77,467,751</b>	<b>6,198,930</b>	<b>718,203</b>	<b>82,948,478</b>	<b>43,010,001</b>	<b>6,141,088</b>	<b>3,496,023</b>	<b>45,655,066</b>	<b>37,293,412</b>	<b>34,457,750</b>
<b>PREVIOUS YEAR</b>	<b>73,522,325</b>	<b>5,985,188</b>	<b>2,039,762</b>	<b>77,467,751</b>	<b>41,091,722</b>	<b>7,295,433</b>	<b>5,377,154</b>	<b>43,010,001</b>	<b>34,457,750</b>	<b>32,430,603</b>

**Note 10: NON CURRENT INVESTMENTS**
**A. Trade Investments**

Sr. No.	Name of the Body Corporate	Face Value (Rs.)	Subsidiary/ Associate/ JV/Controlled Entity/Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid/ Fully Paid	Amount (Rs.)	
				As at 31 March 2014	As at 31 March 2013			As at 31 March 2014	As at 31 March 2013
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)
(a)	<b>Investment in Equity Instruments</b>								
	Bombay Stock Exchange Ltd.	1	Others	55874	55874	Unquoted	Fully Paid	4,298	4,298
	Swastika Commodities Pvt.Ltd.	10	Subsidiary	200000	199400	Unquoted	Fully Paid	15,065,000	14,981,000
	Swastika Finmart Private Limited	10	Subsidiary	2110000	2109800	Unquoted	Fully Paid	21,100,400	21,098,000
	Swastika Insurance Services Limited	10	Subsidiary	49400	49400	Unquoted	Fully Paid	494,000	494,000
	Pranav Sports Academy Limited	10	Others	500000	0	Unquoted	Fully Paid	5,000,000	0
							<b>Total(A)</b>	<b>41,663,698</b>	<b>36,577,298</b>

## B. Other Investments

Sr. No.	Name of the Body Corporate	Face Value (Rs.)	Subsidiary/ Associate/ JV/Controlled Entity/Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid/ Fully Paid	Amount (Rs.)	
				As at 31 March 2014	As at 31 March 2013			As at 31 March 2014	As at 31 March 2013
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)
(a)	<b>Investment in Equity Instruments</b>								
	3IInfotech Ltd.	10	OTHERS	0	25000	Quoted	Fully Paid	0	1,214,137
	Andhra Bank	10	OTHERS	10000	0	Quoted	Fully Paid	502,006	0
	Arvind	10	OTHERS	10000	0	Quoted	Fully Paid	1,246,211	0
	Bank of India	10	OTHERS	10000	0	Quoted	Fully Paid	1,396,019	0
	Bharti Airtel	5	OTHERS	1000	0	Quoted	Fully Paid	305,149	0
	Biocon Ltd.	5	OTHERS	0	1100	Quoted	Fully Paid	0	396,744
	Century Enka	10	OTHERS	17900	17900	Quoted	Fully Paid	2,375,055	2,375,055
	Decolight Ceramics Ltd.	10	OTHERS	3285	10000	Quoted	Fully Paid	76,706	233,504
	Dena Bank	10	OTHERS	8000	0	Quoted	Fully Paid	425,660	0
	Good luck ST	2	OTHERS	50000	50000	Quoted	Fully Paid	1,119,781	1,119,781
	Gujrat NRE Coke Ltd.	10	OTHERS	0	5800	Quoted	Fully Paid	0	245,163
	HCL Technologies Limited	2	OTHERS	1100	0	Quoted	Fully Paid	956,775	0
	HDIL	10	OTHERS	8000	0	Quoted	Fully Paid	433,237	0
	Hindustan Unilever	1	OTHERS	1000	0	Quoted	Fully Paid	640,206	0
	Hindustan Construction Company Ltd.	1	OTHERS	0	50000	Quoted	Fully Paid	0	1,811,192
	Indian Bank	10	OTHERS	10000	0	Quoted	Fully Paid	639,010	0
	Kriti Industries India Ltd.	1	OTHERS	39000	39000	Quoted	Fully Paid	270,319	270,319
	Kriti Nutrients Ltd.	1	OTHERS	39000	39000	Quoted	Fully Paid	270,319	270,319
	Lakshmi Machine Works Ltd.	10	OTHERS	0	104	Quoted	Fully Paid	0	173,550
	Maruti Udyog Limited	5	OTHERS	550	0	Quoted	Fully Paid	890,450	0
	NHPC Ltd.	10	OTHERS	203565	203565	Quoted	Fully Paid	5,089,156	5,089,156
	Rajratan Gustav Wolf Ltd.	10	OTHERS	17000	28000	Quoted	Fully Paid	3,729,566	6,317,779
	Reliance Communications Ltd.	5	OTHERS	6000	3000	Quoted	Fully Paid	1,688,008	1,248,247
	Shricon Industries Ltd.	10	OTHERS	49150	49150	Quoted	Fully Paid	2,742,469	2,742,469
	State Trading Corporation of India Ltd.	10	OTHERS	0	400	Quoted	Fully Paid	0	65,842
	Tata ELXSI (I) Limited	10	OTHERS	5000	0	Quoted	Fully Paid	1,467,226	0
	Tata Sponge	10	OTHERS	6559	0	Quoted	Fully Paid	2,415,556	0
	Wire and Wireless India Ltd.	1	OTHERS	0	24913	Quoted	Fully Paid	0	379,840
(b)	<b>Investments in Mutual Funds</b>								
	Axis Equity Fund	10	OTHERS	50000	50000			500,000	500,000
						<b>Total (B)</b>		<b>29,178,884</b>	<b>24,453,097</b>
						<b>Grand Total (A+B)</b>		<b>70,842,582</b>	<b>61,030,395</b>

Notes: 1) All Investments have been stated at Cost.

2) Aggregate Market Value of Quoted Investment is Rs. 29,854,044/- (Previous Year Rs. 17,290,707/-)

PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>NOTE 11: LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good</b>		
a) Security Deposits	17,675,000	17,675,000
	<u>17,675,000</u>	<u>17,675,000</u>
(b) Other loans and advances		
Everon Research & Consultancy Pvt. Ltd.	356,000	-
Gems Equities and Securities Pvt. Ltd.	417,720	417,720
	<u>773,720</u>	<u>417,720</u>
<b>Total</b>	<b>18,448,720</b>	<b>18,092,720</b>
<b>NOTE 12: OTHER NON CURRENT ASSETS</b>		
Advance to Market Place Technologies Pvt. Ltd.(for Intangible Asset)	176,362	176,362
Others	1,750,172	784,313
<b>Total</b>	<b>1,926,534</b>	<b>960,675</b>
<b>NOTE 13: INVENTORIES</b>		
Stock-in-trade (Shares and Securities)	12,704,990	10,537,326
<b>Total</b>	<b>12,704,990</b>	<b>10,537,326</b>
Stock -in- trade is valued at lower of the cost or market value.		
<b>NOTE 14: TRADE RECEIVABLES</b>		
<b>Unsecured, considered good:</b>		
(i) Outstanding for a period exceeding six months	11,537,472	13,166,268
(ii) Others	394,615,542	323,357,854
<b>Total</b>	<b>406,153,014</b>	<b>336,524,122</b>
<b>NOTE 15: CASH AND BANK BALANCES</b>		
<b>(a) Cash and Cash Equivalents:</b>		
(i) Balances with Banks in Current Accounts	17,901,248	24,496,615
(ii) Cash on hand	728,661	1,419,036
<b>(b) Other Bank Balances</b>		
Unpaid Dividend Accounts (Earmarked Balances)	631,432	786,628
Fixed Deposits with Banks	23,948,819	20,521,016
Fixed Deposits with maturity of more than 12 months Rs. Nil (Previous Year - Rs. 25,00,000)		
Fixed Deposits include Rs. 18,948,819 (P.Y. Rs. 15,000,000) held by ICICI Bank Ltd. as Cash Margin against the Bank Guarantee and Rs.5,000,000 (P.Y. Rs.2,500,000) held by Globe Capital Market Limited (F & O Clearing Member).		
<b>Total</b>	<b>43,210,160</b>	<b>47,223,295</b>

PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>NOTE 16 : SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good:</b>		
Advance Income Tax	1,000,000	1,000,000
Income Tax Refund due	5,862,009	3,166,881
TDS Receivable	975,256	1,045,246
Service Tax Credit	301,895	287,981
BSE (Against TDS)	177,281	66,682
NSE (Against TDS)	458,726	235,821
Advance to Staff	2,158,934	2,062,088
Prepaid Expenses	2,225,969	923,939
Other Advances	995,339	3,569,924
Deposit Against Securities Appellate Tribunal	700,000	700,000
Internet Deposit (Shyam Internet Services)	8,334	8,334
Rent Deposits	4,024,248	3,688,318
Legal Deposit	10,000	10,000
Electricity Deposits	79,347	79,347
Lease Line Deposit	15,000	15,000
Telephone Deposits	82,053	69,159
V-SAT Deposits	100,003	600,003
<b>Total</b>	<b>19,174,394</b>	<b>17,528,722</b>

<b>NOTE 17 : OTHER CURRENT ASSETS</b>		
Accrued Income	3,201,042	587,943
Adhesive Stamps	15,500	469,000
Incentive Receivable (BSE Derivatives)	14,040	414,040
PMS Registration Charges	-	70,310
<b>Total</b>	<b>3,230,582</b>	<b>1,541,293</b>

PARTICULARS	For the year Ended 31.3.2014 ₹	For the year Ended 31.3.2013 ₹
<b>NOTE 18: REVENUE FROM OPERATIONS</b>		
(a) Brokerage Realised	79,185,587	76,744,471
(b) Sales of Shares and Securities	5,320,150	2,372,110
(c) Other Operating Revenue (from Share Broking Business)		
(i) Turnover Charges	9,038,790	9,171,647
(ii) Auction Charges	65,699	54,732
(iii) Demat and Depository Charges	4,912,934	4,210,233
(iv) Delay in Pay in Charges	26,321,256	32,099,524
(v) Advisory Charges	102,124	100,101
(vi) Contract Handling Charges	168,463	203,039
(vii) Client Registration Charges	150,016	65,800
<b>Total</b>	<b>125,265,019</b>	<b>125,021,657</b>

PARTICULARS	For the year Ended 31.3.2014 ₹	For the year Ended 31.3.2013 ₹
<b>NOTE 19 : OTHER INCOME</b>		
(a) Interest Income	3,083,163	4,298,272
(b) Profit on F & O trading	8,153,953	-
(c) Dividend Income	797,894	700,325
(d) Net Gain on Sale of Investment	811,008	-
(e) Profit on Sale of Fixed Assets	9,376	
<b>(f) Other Non Operating Income</b>		
(i) Internet ID Connectivity	29,750	47,174
(ii) Incentives	2,228,913	1,818,290
(iii) Other Income	272,000	361,852
<b>Total</b>	<b>15,386,057</b>	<b>7,225,913</b>
<b>NOTE 20: EMPLOYEE BENEFIT EXPENSES</b>		
(a) Salaries and Incentives	39,040,981	32,776,576
<b>(b) Payment to Directors:</b>		
(i) Remuneration	4,500,000	4,500,000
(ii) Contribution to Provident Fund	18,720	18,720
<b>(c) Contributions to -</b>		
(i) Provident fund	66,300	62,400
(ii) Gratuity fund contributions (Premium to LIC)	14,788	14,277
iii) Provision for Gratuity (As per AS 15)	340,978	266,343
<b>(d ) Staff welfare expenses</b>	<b>929,777</b>	<b>678,706</b>
<b>Total</b>	<b>44,911,544</b>	<b>38,317,022</b>
<b>NOTE 21: FINANCE COST</b>		
Interest expense	12,635,623	17,222,495
Bank Charges	467,189	618,218
<b>Total</b>	<b>13,102,812</b>	<b>17,840,713</b>
<b>NOTE 22 : OTHER EXPENSES</b>		
Advertisement Expenses	688,190	280,739
Auditor's Remuneration	190,000	190,000
Bad Debt	16,587	81,432
Business Promotion	539,783	116,109
Client Servicing and Branch management expenses	12,073,765	15,742,124
Commission	18,049,324	19,120,138
Commission (Others)	69,278	86,725
Conveyance Expenses	317,563	204,662
Demat Charges	532,070	57,129
Depository Expenses	1,075,245	990,855

PARTICULARS	For the year Ended 31.3.2014 ₹	For the year Ended 31.3.2013 ₹
Diwali Expenses	514,830	241,660
Income Tax on Assessment ( AY 09-10)	-	22,830
Tax on assesment for the year( A.Y. 2010-11)	-	67,700
Insurance	506,539	491,807
Legal & Professional Fees	3,140,269	1,894,574
Long Term Capital Gain/loss	4,326,891	-
Loss on F & O trading	-	9,060,629
Membership Fees & Subscription	407,700	172,000
Miscellaneous Expense	915,236	686,644
Merchant Banking Regis Charges	126,390	-
Office Maintenance	2,421,892	1,588,625
Penalty	75,925	320,126
Printing & Stationary	633,240	568,665
Rates & taxes	94,925	120,444
Registration fee	-	50,000
Rent	8,228,774	6,317,653
Repairs, Maintenance and Software Maintenance	3,238,545	2,209,912
Loss on sale of fixed assets	-	23,545
SEBI Fees	204,628	321,359
SMS Charges	161,945	58,871
Telephone & Internet Charges	3,406,715	3,373,062
Travelling Expenses (Directors)	367,580	460,638
Travelling Expenses (Others)	363,189	386,890
V-SAT Expenses	9,498	302,245
Water and Electricity Expenses	2,397,377	2,456,160
Wealth Tax	23,670	30,263
<b>Total</b>	<b>65,117,563</b>	<b>68,096,215</b>
<b>NOTE 23: EXCEPTIONAL ITEMS</b>		
<b>Excess Provision Written Back</b>		
(i) Depreciation Written Back	3,076,694	3,684,227
(ii) Others	24,437	17,295
<b>Total</b>	<b>3,101,131</b>	<b>3,701,522</b>



#### **NOTE: 24 OTHER NOTES TO FINANCIAL STATEMENTS.**

1. a) Contingent liabilities for Bank Guarantee issued in favour of NSE / BSE is Rs. 3,00,00,000/- (Previous year was Rs. 3,00,00,000/-).

- b) Demand in respect of the following matters is as follows:

(Figures in Rs.)

Income Tax (A.Y. 2011-12)	:	Rs.69,62,560 /-
Income Tax (A.Y. 2007-08)	:	Rs.93,375 /-
Service Tax	:	Rs.30,89,019/-
SEBI Penalty	:	Rs.7,00,000/-
<b>Total</b>	<b>:</b>	<b>Rs.1,08,44,954 /-</b>

- c) A demand of Rs. 2,42,260/- has been raised by the Income Tax Department for A.Y. 2010-11. The demand is due to the reason that the assessing officer has made certain additions for which the Company has not preferred any appeal. The department has also not allowed credit of certain TDS claimed by the Company. As the exact calculation for amount of tax and interest is not available with the Company, the Company has provided Rs. 67,700/- on prudent basis in the F.Y.2012-13, out of the above demand.

- d) A provision of Rs. 3,94,000/- for the similar reasons on prudent basis has been made during F.Y. 2011-12, the same has not been paid by the Company as no calculation for the bifurcation of the amount for tax and interest has been made available to the Company by the income tax department.

2. In the opinion of Management the current assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated and provisions for all known liabilities have been made. Balance of Sundry Debtors and Sundry Creditors are subject to confirmations.

3. Statutory auditor's remuneration :

(Figures in Rs.)

Particulars	31.3.2014	31.3.2013
Statutory audit	1,40,000/-	1,40,000/-
Tax audit	25,000/-	25,000/-
Certification Fees	15,000/-	15,000/-
Other Services	10,000/-	10,000/-
<b>TOTAL</b>	<b>1,90,000/-</b>	<b>1,90,000/-</b>

4. Disclosure of Related Parties/Party transaction :

A. List of Related Parties (where transactions have taken place)

S.No.	Name of Related Party	Nature of Relationship
1.	<b>Key Management Personnel/individuals having control or significant influence.</b> a) Mr. Sunil Nyati b) Mrs. Anita Nyati c) Mr. Anil Nyati d) Mr. S.N. Maheshwari e) Mr. Vinod Gupta f) Mr. C.R. Doshi g) Mr. Tarun Kumar Baldua h) Mr. Ramanlal Bhutda i) Mr. Parth Nyati	Managing Director Whole Time Director Director Director Director Director Director Director Director
2.	<b>Relatives of Key Management Personnel /individuals having control or significant influence.</b> a) Mrs. Sita Nyati b) Mr. Chandmal Nyati c) Mrs. Vandana Nyati d) Mr. Vandit Nyati e) Mrs. Krishna Prabha Maheshwari f) Mr. Manish Maheshwari g) Mrs. Raksha Maheshwari h) Mrs. Rekha Gupta i) Mrs. Shashi Baldua j) Mrs. Manjubala Baheti	} Relatives of Managing Director } Relatives of Director } Relatives of Director
3.	<b>Enterprises owned/controlled by key managerial personnel or individuals having control or significant influence.</b> a) Sunil Nyati H.U.F. b) Anil Nyati H.U.F. c) Tarun Kumar Baldua(HUF) d) ENAR Collections	H.U.F. of Managing Director H.U.F. of Executive Director HUF of Director Proprietorship firm of Director's Relative
4	Swastika Commodities Pvt. Ltd. Swastika Insurance Services Limited Swastika Fin-Mart Private Limited	} Subsidiary Companies

**B. Transactions with Related Parties:**
**(Figures in Rs.)**

S. No.	Particulars	Key Management Personnel/ individuals having control or significant influence.	Relatives of Key Management Personnel / individuals having control or significant influence.	Subsidiary	Enterprises owned/ controlled by key managerial personnel or individuals having control or significant influence.	Total
1	<b>Expenditure</b> Salaries and Other benefits(including PF Contribution)	4,518,720/- (4,518,720/-)	- (-)	- (-)	- (-)	4,518,720/- (4,518,720/-)
	Office Rent	- (-)	- (-)	- (-)	3,00,000/- (3,00,000/-)	3,00,000/- (3,00,000/-)
	Stationery And Printing	- (-)	- (-)	- (-)	129,528/- (277,261/-)	129,528/- (277,261/-)
2	<b>Income</b> Brokerage Received	19,682/- (15,143/-)	615/- (7,024/-)	- (-)	13/- (394)	20,310/- (22,561/-)
3	Expenses Recovered	- (-)	- (-)	34,728,589/- (31,664,038/-)	- (-)	34,728,589/- (31,664,038/-)
4	Loan Taken	13,570,000/- (-)	- (-)	46,84,870/- (35,95,000/-)	- (3,75,000/-)	18,254,870/- (39,70,000/-)
5	Loan Repaid	13,570,000/- (-)	- (-)	46,84,870/- (35,95,000/-)	- (3,75,000/-)	18,254,870/- (39,70,000/-)
6	<b>Outstandings :</b>					
	Creditors	44,059/- (14,437)	281/- (84,168)	- (-)	- (-)	44,340 (-)
	Investments	- (-)	- (-)	3,66,59,400/- ( 3,65,73,000/-)	- (-)	3,65,73,000/- (3,65,73,000/-)

**Note: Figures in brackets represent previous year balances.**

- C. Related Parties are identified by the management and relied upon by the Auditor.  
D. No Balances in respect of Related Parties have been written off.

5. The details of the group's post retirement benefit plan for gratuity for its employees in conformity with the principles set out in AS 15 which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors are given below :

Figures in Rs.

Sr.No	Particulars	2013-14	2012-13
I.	<b>Changes in present value of obligations</b>		
	Present Value of Obligations at beginning of the year	2103795	1717396
	Interest cost	168304	137392
	Current Service Cost	242411	224924
	Benefits Paid	(143438)	0
	Actuarial (gain)/loss on obligations	(69692)	24083
	Present Value of Obligations at end of the year	2301380	2103795
II.	<b>Changes in fair value of plan assets</b>		
	Fair Value of Plan Assets at beginning of the year	1456417	1320114
	Expected Return on Plan Assets	95641	120056
	Contributions	45	16247
	Benefits Paid	(143438)	0
	Actuarial gain/(loss) on plan assets	NIL	NIL
	Fair Value of Plan Assets at end of the year	1408665	1456417
III.	<b>Fair Value of plan assets</b>		
	Fair Value of Plan Assets at beginning of the year	1456417	1320114
	Actual Return on Plan Asset	95641	120056
	Contributions	45	16247
	Benefits Paid	(143438)	0
	Fair Value of Plan Assets at end of the year	1408665	1456417
	Funded Status	(892715)	(647378)
	Excess of actual over estimated return on Plan Assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)	NIL	NIL
IV.	<b>Actuarial Gain/(Loss) Recognized</b>		
	Actuarial Gain/(Loss) for the year (Obligation)	(69692)	(24083)
	Actuarial Gain/(Loss) for the year (Plan Assets)	NIL	NIL
	Total Gain/(Loss) for the year	69692	24083
	Actuarial Gain/(Loss) recognized for the year	69692	24083
V.	<b>Amounts recognized in the Balance Sheet</b>		
	Present Value of Obligations at end of the year	2301380	2103795
	Fair Value of Plan Assets at end of the year	1408665	1456417
	Funded Status	(892715)	(647378)
	Net Asset/(Liability) recognized in the balance sheet	(892715)	(647378)
VI.	<b>Expense recognized in Profit and Loss Account</b>		
	Current Service Cost		
	Interest cost	242411	224924
	Expected Return on Plan Assets	168304	137392
	Net Actuarial (Gain)/Loss recognized for the year	(95641)	(120056)
	Expense recognized in Profit and Loss Account	(69692)	24083
		245382	266343
VII.	<b>Principal Assumptions</b>		
	Discount Rate	8.00%	8.00%
	Rate of increase in compensation	7.00%	7.00%

6. There are no amounts payable to any micro, small and medium (SMEs) scale industrial undertaking as identified by the management from the information available with the company and relied upon by the Auditors.
7. Shares and Securities received from or on behalf of clients, held by the Company as collateral in its own name in a fiduciary capacity, and/or are lodged with the exchanges/F & O Clearing Member towards additional base capital / exposure and / or pledged to bank against overdraft facility
8. In the current year, various expenses like advertisement, salary, rent and other expenses has been allocated and accounted for in respective expenses head on proportionate basis to the Subsidiary Company Swastika Commodities Private Ltd and the payment from Subsidiary Company has been received against the same.
9. Interest expenses is netted off by the amount of Rs. 52,45,505/- (Previous year Rs.73,80,049/-) allocated to the Swastika Commodities Pvt. Ltd. (a 100% Subsidiary Company) on account of utilization of the funds on behalf of the common clients of the Company and Swastika Commodities Pvt. Ltd.

10. Earnings per Share as per (Accounting Standard - 20)		<b>2013-14</b>	<b>2012-13</b>
Earnings per share have been computed as under:			
Profit attributable to equity shareholders (A)	Rs	66,78,743/-	684,380/-
Average number of equity shares outstanding (B)		29,59,700	29,59,700
Basic / Diluted earnings per share (A/B)	Rs	2.26	0.23

11. Deferred Tax Liability / (Assets) as per Accounting Standard-22.

(Figures in Rs)

Description	Deferred Tax Liability As at 1.4.2013	Current year Charge (Assets)	Deferred Tax Liability As at 31.3.2014
Depreciation Differences (Liability)	2,764,094	(154,389)	2,609,705
<b>TOTAL</b>	<b>2,764,094</b>	<b>(154,389)</b>	<b>2,609,705</b>

12. In the opinion of the management, fixed assets are not found to be impaired and therefore, no provision for impairment loss is made for the year.
13. Exceptional items represents the reversal of excess depreciation charged in earlier years of Rs. 30,76,694 (Previous year Rs.36, 84,227/-) and other expenses of Rs. 24,437(Previous year related to gratuity of Rs. 17,295/-)
14. Previous year figures have been reclassified wherever necessary to confirm to the Classification for the year.

As per our Separate Report Attached

For R.S. BANSAL & CO.  
**CHARTERED ACCOUNTANTS**  
 FRN : 000939C

**VIJAY BANSAL**  
 Partner  
 M. No. 075344

For & on behalf of the Board of Directors  
 Swastika Investmart Limited

**Sunil Nyati**  
 (Managing Director)

**Anita Nyati**  
 (Whole Time Director)

Place:Indore  
 Date : May 17, 2014

## Statement Pursuant to Section 212 of the Companies Act, 1956 relating to subsidiary companies for the Financial Year 2013-14

Particulars	Swastika Commodities Private Limited	Swastika Insurance Services Limited	Swastika Fin-Mart Private Limited
1. Financial year of the Subsidiary Companies ended on	March 31, 2014	March 31, 2014	March 31, 2014
2. Date from which it became subsidiary	October 09, 2006	May 11, 2009	December 31, 2009
3. No. of shares held by Swastika Investmart Limited in the capital of subsidiary	2,00,000 Equity Shares of Rs.10 each	49,400 Equity Shares of Rs.10 each	21,10,000 Equity Shares of Rs.10 each
4. Net aggregate amount of Profit/(Loss) of the subsidiary so far as it concerns the members of Swastika Investmart Limited and is not dealt with accounts of Swastika Investmart Limited			
a) For the Financial year ended March 31, 2014	Rs. 1,703,441/-	Rs. (26,200/-)	Rs. 876,485/-
b) For the Previous Financial year ended March 31, 2013, since it became Subsidiary of Swastika Investmart Limited	Rs. 1,084,673/-	Rs. (27,200/-)	Rs. 1,298,602/-
5. Net aggregate amount of Profit/(Loss) of the subsidiary so far as it dealt with in the accounts of Swastika Investmart Limited			
a) For the Financial year ended March 31, 2014	Nil	Nil	Nil
b) For the Previous Financial year ended March 31, 2013, since it became Subsidiary of Swastika Investmart Limited	Nil	Nil	Nil

Place: Indore  
Date: 17.05.2014

For R.S.BANSAL & COMPANY  
Chartered Accountants

**VIJAY BANSAL**  
Partner  
Membership No: 075344

## INDEPENDENT AUDITOR'S REPORT

To,  
The Board of Directors  
Swastika Investmart Ltd.  
Mumbai

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **SWASTIKA INVESTMART LIMITED** and its subsidiaries Swastika Commodities Private Limited, Swastika Insurance Services Limited & Swastika Fin-Mart Private Limited, which comprise the consolidated Balance Sheet as at **31<sup>st</sup> March 2014**, the consolidated Statement of Profit & Loss, the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Company in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards required that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

### Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on our report on audited financial statements of Swastika Investmart Ltd. and on consideration of the reports of the other auditors in case of its subsidiaries Swastika Commodities Private Limited, Swastika Insurance Services Limited & Swastika Fin-Mart Private Limited, as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of Consolidated Balance Sheet, of the state of affairs of Swastika Investmart Ltd. and its subsidiaries as at 31<sup>st</sup> March 2014;
- b) in the case of Consolidated Statement of Profit and Loss, of the profit of Swastika Investmart Ltd. and its subsidiaries for the year ended on that date; and
- c) in the case of Consolidated Cash Flow Statement, of the cash flows of Swastika Investmart Ltd. and its subsidiaries for the year ended on that date.

#### **Other Matter**

We did not audit the financial statements of the subsidiaries, whose financial statements reflect the total assets of Rs.22,77,49,272/-, total revenue of Rs.6,76,15,965/- and net cash outflows amounting to Rs.1,60,53,065/- for the year ended as on 31<sup>st</sup> March,2014. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management, and our opinion based solely on the report of other auditors. Our opinion is not qualified in respect of this matter.

**For : R.S.BANSAL & COMPANY  
CHARTERED ACCOUNTANTS  
FRN: 000939C**

**Place : Indore  
Dated : 17-05-2014**

**VIJAY BANSAL  
PARTNER  
M.N.075344**



## CONSOLIDATED BALANCE SHEET AS AT 31.03.2014

PARTICULARS	Note No.	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	2	29,825,500	29,825,500
(b) Reserves and Surplus	3	108,652,030	102,945,797
		<b>138,477,530</b>	<b>132,771,297</b>
<b>2 Non-current Liabilities</b>			
(a) Deferred Tax Liabilities		2,609,705	2,785,551
(b) Long-term Provisions	4	9,984,173	12,214,347
		<b>12,593,878</b>	<b>14,999,898</b>
<b>3 Current Liabilities</b>			
(a) Short-term Borrowings	5	191,696,368	215,460,879
(b) Trade Payables	6	264,799	4,359,327
(c) Other current Liabilities	7	438,691,211	305,363,655
(d) Short-term Provisions	8	22,350,472	14,227,915
		<b>653,002,850</b>	<b>539,411,776</b>
<b>TOTAL</b>		<b>804,074,258</b>	<b>687,182,971</b>
<b>II. ASSETS</b>			
<b>1 Non-current Assets</b>			
(a) Fixed Assets	9		
(i) Tangible Assets		49,827,748	44,588,534
(ii) Intangible Assets		7,409,517	9,167,604
(b) Non-current Investments	10	35,842,227	27,756,276
(c) Long-term Loans and Advances	11	25,786,220	21,842,720
(d) Other Non-current Assets	12	1,926,534	960,675
(e) Deferred tax Assets		120,701	-
		<b>120,912,947</b>	<b>104,315,809</b>
<b>2 Current Assets</b>			
(a) Inventories	13	12,704,990	10,537,326
(b) Trade Receivables	14	498,127,978	413,432,175
(c) Cash and Bank Balances	15	139,715,082	122,975,152
(d) Short-term Loans and Advances	16	22,621,852	20,480,524
(e) Other Current Assets	17	9,991,409	15,441,985
		<b>683,161,311</b>	<b>582,867,162</b>
<b>TOTAL</b>		<b>804,074,258</b>	<b>687,182,971</b>
Significant Accounting Policies	1		
Other Notes to Financial Statements	24		

As per our Separate Report Attached  
For R.S. BANSAL & CO.  
**CHARTERED ACCOUNTANTS**  
FRN : 000939C

**VIJAY BANSAL**  
Partner  
M. No. 075344

Place: Indore  
Date : May 17, 2014

For & on behalf of the Board of Directors  
Swastika Investmart Limited

**Sunil Nyati**  
(Managing Director)  
DIN : 00015963

**Anita Nyati**  
(Whole Time Director)  
DIN : 01454595

## Consolidated Statement of Profit and Loss for the year ended 31.03.2014

PARTICULARS	Note No.	For the year ended 31.3.2014 ₹	For the year ended 31.3.2013 ₹
I. Revenue from Operations	18	186,295,042	189,184,644
II. Other Income	19	21,971,998	12,819,250
III. Total Revenue (I + II)		<b>208,267,040</b>	<b>202,003,894</b>
IV. Expenses:			
Purchases of Shares and Securities		6,474,190	4,136,538
Decrease/(Increase) in inventories of Shares and Securities		(2,167,664)	(18,885)
Employee Benefits Expense	20	67,302,604	56,375,679
Finance Costs	21	19,191,997	25,952,964
Depreciation and Amortization Expense		6,774,259	7,928,604
Other Expenses	22	99,234,373	107,580,817
Total Expenses		<b>196,809,759</b>	<b>201,955,717</b>
V. Profit before exceptional and extraordinary items and tax (III-IV)		<b>11,457,281</b>	<b>48,177</b>
Exceptional Items	23	3,101,131	3,710,134
VI. Profit before extraordinary items and tax		<b>14,558,412</b>	<b>3,758,311</b>
VII. Extraordinary Items		-	-
VIII Profit before tax (VI- VII)		<b>14,558,412</b>	<b>3,758,311</b>
IX Tax expense:			
(1) Current tax		5,622,490	1,269,952
(2) Interest on tax		-	25,147
(3) Deferred tax		(296,547)	(577,242)
X Profit (Loss) for the period (VIII-IX)		<b>9,232,469</b>	<b>3,040,454</b>
XI Earnings per equity share:			
(1) Basic		3.12	1.03
(2) Diluted		3.12	1.03

Significant Accounting Policies

1

Other Notes to Financial Statements

24

As per our Separate Report Attached  
For R.S. BANSAL & CO.  
CHARTERED ACCOUNTANTS  
FRN : 000939C

For & on behalf of the Board of Directors  
Swastika Investmart Limited

VIJAY BANSAL  
Partner  
M. No. 075344

Sunil Nyati  
(Managing Director)  
DIN : 00015963

Anita Nyati  
(Whole Time Director)  
DIN : 01454595

Place: Indore  
Date : May 17, 2014

## CONSOLIDATED CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT	For the year ended 31.3.2014 ₹	For the year ended 31.3.2013 ₹
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax	14,558,412	3,758,311
Adjustments for :		
Extraordinary Items		
Excess Income Tax Provision Written Back	-	(8,612)
Excess Provision Written Back	(24,437)	(17,295)
Excess Depreciation Written Back	(3,076,694)	(3,684,227)
Net Profit before Tax and Extra Ordinary items	11,457,281	48,177
Adjustments to reconcile Net Profit before Tax to cash provided by Operating activities		
Depreciation	6,774,259	7,928,604
Wealth Tax	23,670	30,263
(Profit ) / Loss on sale of investments	5,887,215	-
(Profit ) / Loss on sale of investments	(811,008)	-
(Profit ) / Loss on sale of Fixed Assets	(9,376)	23,545
Dividend income	(841,337)	(700,325)
Interest Income	(9,296,493)	(9,656,893)
Interest Expenses	18,431,865	25,080,516
Miscellaneous Expenses Written off	71,721	71,721
<b>Operating profit before Working Capital Changes</b>	<b>31,687,797</b>	<b>22,825,608</b>
Adjustments for :		
Short-term Borrowings	(23,764,511)	39,417,600
Trade Payables	(4,094,527)	1,862,432
Other Current Liabilities	133,393,718	8,809,402
Short-term Provisions	3,794,383	887,663
Long-term Provisions	(2,230,174)	11,816,017
Inventories	(2,167,664)	(18,885)
Trade Receivables	(84,695,803)	13,317,110
Short-term Loans and Advances	284,833	(1,142,060)
Other Current Assets	5,378,854	2,285,054
Other Non Current Assets	(965,859)	(784,313)
<b>Cash Generated from Operations</b>	<b>56,621,047</b>	<b>99,275,628</b>
Direct Taxes Paid	(3,719,781)	(4,164,984)
<b>Net Cash Flow from Operating Activities (A)</b>	<b>52,901,266</b>	<b>95,110,644</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(7,477,565)	(22,937,902)
Proceeds from Sale of Fixed Assets	308,250	323,290
Purchase of Investments (Shares and Securities)	(18,524,955)	(3,494,836)
Fixed deposit	(8,127,803)	(23,521,016)
Proceeds from Sales of Investments	5,276,396	-
Loans & advances	(3,943,500)	(1,305,360)
Dividend Received	841,337	700,325
Interest Received	9,296,493	9,656,893
<b>Net Cash flow from Investing Activities (B)</b>	<b>(22,351,347)</b>	<b>(40,578,606)</b>

CONSOLIDATED CASH FLOW STATEMENT	For the year ended 31.3.2014 ₹	For the year ended 31.3.2013 ₹
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Interest Paid	(18,431,865)	(25,080,516)
Dividend & Dividend Tax	(3,505,926)	(3,502,267)
<b>Net Cash Flow from Financing Activities (C)</b>	<b>(21,937,791)</b>	<b>(28,582,783)</b>
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>8,612,128</b>	<b>25,949,255</b>
Cash & Cash Equivalents (Opening)	37,854,136	11,904,881
Cash & Cash Equivalents (Closing)	<b>46,466,264</b>	<b>37,854,136</b>

NOTES: 1) Previous year figures have been regrouped / rearranged wherever necessary

2) Cash & Cash Equivalents as on 31.03.2014 includes Unclaimed Dividend of Rs. 631,432 (Previous Year- Rs. 786,628).

As per our report of even date  
FOR R.S. BANSAL & COMPANY

For & on behalf of the Board of Directors

Chartered Accountants  
FRN : 000939C

Swastika Investmart Limited

VIJAY BANSAL  
(Partner)  
Membership No: 75344

Sunil Nyati  
(Managing Director)  
DIN : 00015963

Anita Nyati  
(Whole Time Director)  
DIN : 01454595

Place : Indore  
Date : 17.05.2014

## **NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES**

### **1.1. a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS :**

The Company maintains its accounts on accrual basis following the historical cost convention in accordance with Generally Accepted Accounting Principles (GAAP) and in compliance with the Accounting Standard referred to in section 211 (3C) and other requirements of the Companies Act, 1956.

### **b) USE OF ESTIMATES:**

The Preparation of Financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known.

### **1.2. EMPLOYEE BENEFITS:**

#### **(a) Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, bonus, incentives, etc. are recognized in the period in which the employee renders the related services.

#### **(b) Post- Employment Benefits**

(i) **Defined Contribution Plans:** The Company's contribution paid/payable under the Provident Fund Scheme is recognized as expense in the Statement of profit and loss during the period in which the employee renders the related service.

(ii) **Defined Benefit Plans:** The Company has taken Group Gratuity Cash Accumulation Policy issued by the Life Insurance Corporation of India (LIC). The present value of the obligation under such defined benefit plans is determined based on actuarial valuation as advised by LIC, using the Projected Unit Credit method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, are as advised by LIC. The Actuarial gains or losses are recognized immediately in the Statement of Profit & Loss.

### 1.3. PROVISION FOR CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

Provision involving a substantial degree of estimation in measurement is recognized when there is a present obligation as a result of past events and is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the Financial Statements. Contingent Assets are neither recognized nor disclosed in the financial statements.

### 1.4. REVENUE RECOGNITION

- a) Brokerage from secondary market is recognized as per contracted rates on the execution of transactions on behalf of the clients on the trade date and is exclusive of Service Tax and Securities Transaction Tax(STT) wherever applicable.
- b) Income from Sale of Shares and Securities is recognized on the date of billing of the relevant transactions.
- c) Income from Depository operations is accounted on accrual basis.
- d) Equity Index / Stock Future/Currency Futures
  - Equity Index / Stock Futures/ Currency Futures are marked to market on a daily basis. Debit or Credit balance disclosed under Loans and Advances or Current Liabilities, respectively, in the Mark to Market Margin Equity Index / Stock Futures/Currency Account, represents the net amount paid or received on the basis of movement in the process of Index / Stock futures /Currency Futures till the balance sheet date.
  - As on the Balance Sheet, Profit / Loss on open position in Equity Index /Stock Futures/Currency Futures is accounted as follows:
  - Credit balance in the Mark-to-Market Margin Equity Index/ Stock Futures /Currency Futures Account, being the anticipated Profit, is ignored and no Credit for the same is taken in the Profit and Loss Account.
  - Debit balance in the Mark-to-Market Margin Equity Index/ Stock Futures/ /Currency Futures Account, being the anticipated loss, is provided in the Profit and Loss Account.
  - On final settlement or squaring up of contracts for Equity Index/ Stock Futures/ Currency Futures, the Profit or Loss is calculated as the difference between the settlement / squaring up price and the contract price. Accordingly, debit or credit balance pertaining to the settled /squared - up contract in Mark to Market Margin - Equity Index/ Stock Futures /Currency Futures Account after adjustment of the provision for anticipated losses is recognized in the Profit and Loss Account. When more than one contract in respect of the relevant series of Equity Index/ Stock Futures /Currency Futures contract to which the squared up contract pertains is outstanding at the time of the squaring up of the contract, the contract price of the contract so squared up is determined using the weighted average cost method for calculating the Profit / Loss on Squaring up.
- e) Option Contracts
  - At the time of final settlement Premium paid/ received is recognized as an expense/ income on exercise of Option. Further, difference between the final settlement price as on the exercise/ expiry date and the strike price is recognized as Income / Loss.
  - At the time of squaring off difference between the premium paid and received on squared off transaction is treated as Profit or Loss.

- f) Income from Delay Pay in Charges and Interest is recognized on a time proportion basis.
- g) Dividend income is recognized only when the right to receive is established.
- h) Advisory fees and other income are accounted on accrual basis, net of service tax.

## **1.5 FIXED ASSETS AND DEPRECIATION**

- a) Fixed Assets are stated at cost of acquisition including incidental expenses related to such acquisition and installation less accumulated depreciation.
- b) Depreciation is provided under the straight-line method at the rates specified in Schedule XIV of the Companies Act 1956. In cases where the useful lives are estimated to be lower than those considered in determining the rates specified in that Schedule, depreciation is provided under the straight-line method over the useful lives of the assets. V-SAT is depreciated @ 10% p.a. on Straight Line Basis.
- c) Membership Rights in Stock Exchanges are amortized on straight- line basis over a period of 20 years according to the Management decision on the basis of its useful life.
- d) Other Intangible assets are stated at cost and are amortized on straight-line basis over the period of 6 years on the basis of useful life determined as per the economic benefit of the asset.

## **1.6 INVESTMENTS**

Investments are stated at cost of acquisition since they are long term in nature.

## **1.7 STOCK- IN- TRADE**

Stock in- trade of shares & securities are valued at lower of the cost or market value on individual scrip by scrip basis.

## **1.8 TAXES ON INCOME**

- a) Tax on income for the current period is determined on the basis of estimated taxable income in accordance with the provisions of the Income Tax Act, 1961.
- b) Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes & accounting income that originate in one period and are capable of reversal in one or more subsequent period.
- c) Deferred Tax assets are recognized and carried forward only to the extent that there is a reasonable certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

## **1.9 IMPAIRMENT OF ASSETS**

At each balance sheet date, the management reviews the carrying amount of all the assets to determine whether there is any indication that those assets were impaired .If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. And the impairment loss, if any, is debited to the Statement of Profit and Loss.

## NOTE 2: SHARE CAPITAL

### A : Authorised, Issued, Subscribed and Paid Up

PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>Authorised</b>		
5,000,000 Equity Shares of Rs. 10 each (Previous Year 5,000,000 Equity Shares of Rs. 10 each)	50,000,000	50,000,000
<b>Issued</b>		
2,959,700 Equity Shares of Rs.10 each (Previous Year 2,959,700 Equity Shares of Rs. 10 each)	29,597,000	29,597,000
<b>Subscribed &amp; Paid up</b>		
2,959,700 Equity Shares of Rs.10 each fully paid (Previous Year 2,959,700 Equity Shares of Rs. 10 each)	29,597,000	29,597,000
<b>Add : Share Forfeiture</b>	228,500	228,500
<b>Total</b>	<b>29,825,500</b>	<b>29,825,500</b>

Each holder of equity shares is entitled to one vote per share.

### B : Reconciliation of the number of Shares as at the beginning and at the end of the Financial Year

Particulars	Equity Shares As at 31 March 2014		Equity Shares As at 31 March 2013	
	Number	Amount ₹	Number	Amount ₹
Shares outstanding at the beginning of the year	2,959,700	29,597,000	2,959,700	29,597,000
Shares outstanding at the end of the year	2,959,700	29,597,000	2,959,700	29,597,000

### C : ShareHolders holding more than 5% of Shares

Name of the Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Sunil Nyati	398,900	13.48	398,900	13.48
Anita Nyati	298,000	10.07	298,000	10.07
Devashish Nyati	287,000	9.70	287,000	9.70
Parth Nyati	287,000	9.70	287,000	9.70
Anil Nyati	154,400	5.22	154,400	5.22

**NOTE 3 : RESERVES AND SURPLUS**

PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>A) General Reserve</b>		
Opening Balance	90,941,419	90,941,419
(+) Current Year Transfer	-	-
(-) Written Back in Current Year	-	-
Capital Reserve (on Consolidation)	1,596,872	1,683,272
<b>Closing Balance (A)</b>	<b>92,538,291</b>	<b>92,624,691</b>
<b>B) Surplus of Statement of Profit and Loss</b>		
Opening balance	10,321,107	10,720,417
(+) Net Profit for the current year	9,232,469	3,040,454
	<b>19,553,576</b>	<b>13,760,871</b>
<b>Less: Appropriations during the year:</b>		
Proposed Dividends	2,959,700	2,959,700
Dividend Distribution Tax	480,137	480,064
Transfer to General Reserves	-	-
<b>Closing Balance (B)</b>	<b>16,113,739</b>	<b>10,321,107</b>
<b>Grand Total (A+B)</b>	<b>108,652,030</b>	<b>102,945,798</b>
<b>Capital Reserve</b>		
<b>Swastika Commodities Private Limited :</b>		
Share Premium	15,597,000	15,597,000
Profit & Loss A/C (Opening Balance)	59,272	59,272
Cost to Swastika Investmart Ltd. of investment in Swastika Commodities Pvt. Ltd.	<b>15,656,272</b>	<b>15,656,272</b>
Less : Swastika Investmart's Portion of Equity	14,065,000	13,981,000
<b>(A)</b>	<b>1,591,272</b>	<b>1,675,272</b>
<b>Swastika Insurance Services Limited :</b>		
Cost to Swastika Investmart Ltd. of investment in Swastika Insurance Services Limited	494,000	494,000
Less : Swastika Investmart's Portion of Equity	500,000	500,000
<b>(B)</b>	<b>(6,000)</b>	<b>(6,000)</b>
<b>Swastika Fin-Mart Private Limited :</b>		
Cost to Swastika Investmart Ltd. of investment in Swastika Fin-Mart Private Limited	21,100,400	21,098,000
Less : Swastika Investmart's Portion of Equity	21,100,000	21,100,000
<b>(C)</b>	<b>400</b>	<b>(2,000)</b>
<b>Capital Reserve (A-B-C)</b>	<b>1,596,872</b>	<b>1,683,272</b>
<b>NOTE 4 : LONG TERM PROVISIONS</b>		
<b>(a) Provision for Employee Benefits</b>		
Gratuity	988,356	647,378
<b>(b) Others</b>		
RIICO ltd.	8,995,817	11,566,969
<b>Total</b>	<b>9,984,173</b>	<b>12,214,347</b>



PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>NOTE 5 : SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
(a) Loans repayable on demand		
From Banks		
(i) ICICI Bank Ltd.	84,695,960	18,185,559
(ii) HDFC Bank Ltd.	-	-
Secured By Pledge of Own Shares & Shares held in Clients' beneficiary account & Pledge of Company's FDRs)		
From other parties		
(i) Investmarts Financial Services Limited	-	114,116,706
(ii) Aditya Birla Finance Limited	79,954,804	55,441,912
(Secured By Pledge of Own Shares & Shares held in Clients' beneficiary account)		
	<b>164,650,764</b>	<b>187,744,177</b>
<b>Unsecured</b>		
(a) Business Deposits from Sub-broker/Associates	27,045,604	27,716,702
	<b>27,045,604</b>	<b>27,716,702</b>
<b>Total</b>	<b>191,696,368</b>	<b>215,460,879</b>
<b>NOTE 6 : TRADE PAYABLES</b>		
(i) Creditors for Expenses	264,799	4,359,326
<b>Total</b>	<b>264,799</b>	<b>4,359,326</b>
<b>NOTE 7 : OTHER CURRENT LIABILITIES</b>		
(a) Unpaid dividends		
FY 05-06	-	137,320
FY 06-07	179,451	179,451
FY 07-08	148,319	149,769
FY 08-09	98,656	98,656
FY 09-10	68,249	69,699
FY 10-11	58,292	59,742
FY 11-12	89,034	91,784
FY 12-13	78,258	-
	<b>720,259</b>	<b>786,421</b>
(b) Other Payables		
Credit Balances of Clients	437,970,952	304,577,234
<b>Total</b>	<b>438,691,211</b>	<b>305,363,655</b>
<b>NOTE 8: SHORT TERM PROVISIONS</b>		
(a) Provision for Employee Benefits		
Salary & Reimbursements	4,389,035	3,574,144
Contribution to PF	16,427	19,532
	<b>4,405,462</b>	<b>3,593,676</b>

PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>(b) Others</b>		
Income Tax	5,622,490	1,269,952
Dividend Payable	2,959,700	2,959,700
Dividend Tax Payable	480,137	480,064
Wealth Tax Payable	23,670	30,263
Income Tax on Assessment Payable (AY 08-09 and AY 09-10)	394,000	394,000
Provision for Income Tax 2009-10 (A.Y. 2010-11)	67,700	67,700
Interest Payable	1,662,106	348,448
Auditors Remuneration	195,500	195,500
Contribution to IPF	2,002	1,370
Electricity Expenses	144,197	185,034
General Expenses	1,443,681	316,047
Telephone Expenses	75,190	62,333
V SAT Expenses	12,500	23,500
Professional Tax	24,422	27,553
TDS	2,145,451	1,902,817
Expenses payable to Exchange	2,692,264	2,369,958
	<b>17,945,010</b>	<b>10,634,239</b>
<b>Total</b>	<b>23,350,472</b>	<b>14,227,915</b>

#### NOTE 9 - FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION /AMORTIZATION				( Amount in ₹ )	
	AS AT 01.04.2013	ADDITION	DEDUCTION	AS AT 31.03.2014	UPTO 1.04.2013	For the Period Up to March-14	WRITTEN BACK	UPTO 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
<b>A.Tangible Assets</b>										
LAND	16,952,714	1,278,635	-	18,231,349	-	-	-	-	18,231,349	16,952,714
CAR	8,502,174	210,000	329,163	8,383,011	2,475,908	817,033	276,979	3,015,962	5,367,049	6,026,266
COMPUTER	17,686,162	2,155,357	40,800	19,800,719	14,923,137	2,064,480	3,115,707	13,871,910	5,928,809	2,763,025
FURNITURE	13,021,423	1,564,578	30,800	14,555,201	4,133,028	871,751	16,021	4,988,758	9,566,443	8,888,395
SCOOTER	239,816	-	-	239,816	199,888	22,783	-	222,671	17,145	39,928
AIR CONDITINOR	1,472,297	69,500	-	1,541,797	492,805	72,838	-	565,643	976,154	979,492
OFFICE EQUIPMENT	9,564,277	1,844,405	317,440	11,091,242	1,986,799	513,566	87,316	2,413,049	8,678,193	7,577,478
V-SAT	2,986,312	-	-	2,986,312	1,625,076	298,631	-	1,923,707	1,062,605	1,361,236
<b>TOTAL-A</b>	<b>70,425,175</b>	<b>7,122,475</b>	<b>718,203</b>	<b>76,829,447</b>	<b>25,836,641</b>	<b>4,661,082</b>	<b>3,496,023</b>	<b>27,001,700</b>	<b>49,827,747</b>	<b>44,588,534</b>
<b>B.Intangible Assets</b>										
INTANGIBLE ASSET	20,464,502	355,090	-	20,819,592	17,195,334	1,662,677	-	18,858,011	1,961,581	3,269,168
BSE CARD	6,500,001	-	-	6,500,001	2,600,000	325,000	-	2,925,000	3,575,001	3,900,001
MCX CARD	1,010,000	-	-	1,010,000	26,149	50,500	-	76,649	933,351	983,851
MEMBERSHIP NCDEX	500,000	-	-	500,000	189,583	25,000	-	214,583	285,417	310,417
MEMBERSHIP MCX	1,000,000	-	-	1,000,000	295,833	50,000	-	345,833	654,167	704,167
<b>TOTAL-B</b>	<b>29,474,503</b>	<b>355,090</b>	<b>-</b>	<b>29,829,593</b>	<b>20,306,899</b>	<b>2,113,177</b>	<b>-</b>	<b>22,420,076</b>	<b>7,409,517</b>	<b>9,167,604</b>
<b>GRAND TOTAL</b>	<b>99,899,678</b>	<b>7,477,565</b>	<b>718,203</b>	<b>106,659,040</b>	<b>46,143,540</b>	<b>6,774,259</b>	<b>3,496,023</b>	<b>49,421,776</b>	<b>57,237,264</b>	<b>53,756,138</b>
<b>PREVIOUS YEAR</b>	<b>79,001,538</b>	<b>22,937,902</b>	<b>2,039,762</b>	<b>99,899,678</b>	<b>43,592,090</b>	<b>7,928,604</b>	<b>5,377,154</b>	<b>46,143,540</b>	<b>53,756,138</b>	<b>35,409,448</b>

**Note 10: NON CURRENT INVESTMENTS**
**A. Trade Investments**

Sr. No.	Name of the Body Corporate	Face Value (₹)	Subsidiary/ Associate/ JV/Controlled Entity/Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid/ Fully Paid	Amount (₹)	
				As at 31 March 2014	As at 31 March 2013			As at 31 March 2014	As at 31 March 2013
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)
(a)	<b>Investment in Equity Instruments</b>								
	Bombay Stock Exchange Ltd.	1	Others	55,874	55,874	Unquoted	Fully Paid	4,298	4,298
	Pranav Sports Academy Limited	10	Others	500,000	-	Unquoted	Fully Paid	5,000,000	-
							<b>Total(A)</b>	<b>5,004,298</b>	<b>4,298</b>

**B. Other Investments**

Sr. No.	Name of the Body Corporate	Face Value (₹)	Subsidiary/ Associate/ JV/Controlled Entity/Others	No. of Shares / Units		Quoted / Unquoted	Partly Paid/ Fully Paid	Amount (₹)	
				As at 31 March 2014	As at 31 March 2013			As at 31 March 2014	As at 31 March 2013
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(8)	(9)
(a)	<b>Investment in Equity Instruments</b>								
	3IInfotech Ltd.	10	OTHERS	-	35000	Quoted	Fully Paid	-	1,844,988
	Andhra Bank	10	OTHERS	10000	-	Quoted	Fully Paid	502,006	-
	Arvind	10	OTHERS	10000	-	Quoted	Fully Paid	1,246,211	-
	Bank of India	10	OTHERS	10000	-	Quoted	Fully Paid	1,396,019	-
	Bharti Airtel	5	OTHERS	1000	-	Quoted	Fully Paid	305,149	-
	Biocon Ltd.	5	OTHERS	-	1100	Quoted	Fully Paid	-	396,744
	Century Enka	10	OTHERS	17900	17900	Quoted	Fully Paid	2,375,055	2,375,055
	Decolight Ceramics Ltd.	10	OTHERS	3285	10000	Quoted	Fully Paid	76,706	233,504
	Dena Bank	10	OTHERS	8000	-	Quoted	Fully Paid	425,660	-
	Good luck ST	2	OTHERS	50000	50000	Quoted	Fully Paid	1,119,781	1,119,781
	Gujrat NRE Coke Ltd.	10	OTHERS	-	15800	Quoted	Fully Paid	-	835,459
	HCL Technologies Limited	2	OTHERS	1100	-	Quoted	Fully Paid	956,775	-
	HDIL	10	OTHERS	8000	-	Quoted	Fully Paid	433,237	-
	Hindustan Unilever	1	OTHERS	1000	-	Quoted	Fully Paid	640,206	-
	Hindustan Construction Company	1	OTHERS	-	50000	Quoted	Fully Paid	-	1,811,192
	Indian Bank	10	OTHERS	10000	-	Quoted	Fully Paid	639,010	-
	Kriti Industries India Ltd.	1	OTHERS	39000	39000	Quoted	Fully Paid	270,319	270,319
	Kriti Nutrients Ltd.	1	OTHERS	39000	39000	Quoted	Fully Paid	270,319	270,319
	Lakshmi Machine Works Ltd.	10	OTHERS	-	104	Quoted	Fully Paid	-	173,550
	Maruti Udyog Limited	5	OTHERS	550	-	Quoted	Fully Paid	890,450	-
	NHPC Ltd.	10	OTHERS	203565	203565	Quoted	Fully Paid	5,089,156	5,089,156
	Rajratan Gustav Wolf Ltd.	10	OTHERS	17000	28000	Quoted	Fully Paid	3,729,566	6,317,779
	Reliance Power Ltd.	10	OTHERS	-	5000	Quoted	Fully Paid	-	917,235
	Reliance Communications Ltd.	5	OTHERS	6000	3000	Quoted	Fully Paid	1,688,008	1,248,247
	Shricon Industries Ltd.	10	OTHERS	49150	49150	Quoted	Fully Paid	2,742,469	2,742,469
	State Trading Corporation of India Ltd.	10	OTHERS	-	400	Quoted	Fully Paid	-	65,842
	Tata ELXSI (I) Limited	10	OTHERS	5000	-	Quoted	Fully Paid	1,467,226	-
	Larsen & Tubro	2	OTHERS	500	-	Quoted	Fully Paid	498,546	-
	Tata Tele Maharashtra Ltd.	10	OTHERS	50000	50000	Quoted	Fully Paid	1,160,499	1,160,499
	Tata Sponge	10	OTHERS	6559	-	Quoted	Fully Paid	2,415,556	-
	Wire and Wireless India Ltd.	1	OTHERS	-	24913	Quoted	Fully Paid	-	379,840
(b)	<b>Investments in Mutual Funds</b>								
	Axis Equity Fund	10	OTHERS	50000	50000			500,000	500,000
							<b>Total(B)</b>	<b>30,837,929</b>	<b>27,751,978</b>
							<b>Grand Total (A+B)</b>	<b>35,842,227</b>	<b>27,756,276</b>

Notes: 1) All Investments have been stated at Cost.

2) Aggregate Market Value of Quoted Investment is Rs. 30,860,869/- (Previous Year Rs. 18,216,457/-)

PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>NOTE 11: LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good</b>		
a) Security Deposits	25,012,500	21,425,000
	<b>25,012,500</b>	<b>21,425,000</b>
b) Other loans and advances		
Everon Research & Consultancy Pvt. Ltd.	356,000	-
Gems Equities and Securities Pvt. Ltd.	417,720	417,720
	<b>773,720</b>	<b>417,720</b>
<b>Total</b>	<b>25,786,220</b>	<b>21,842,720</b>
<b>NOTE 12: OTHER NON CURRENT ASSETS</b>		
Advance to Market Place Technologies Pvt. Ltd.(for Intangible Asset)	176,362	176,362
Others	1,750,172	784,313
<b>Total</b>	<b>1,926,534</b>	<b>960,675</b>
<b>NOTE 13: INVENTORIES</b>		
Stock-in-trade (Shares and Securities)	12,704,990	10,537,326
<b>Total</b>	<b>12,704,990</b>	<b>10,537,326</b>
<b>NOTE 14: TRADE RECEIVABLES</b>		
<b>Unsecured, considered good:</b>		
(i) Outstanding for a period exceeding six months	56,903,910	65,155,229
(ii) Others	441,224,068	348,276,945
<b>Total</b>	<b>498,127,978</b>	<b>413,432,175</b>
<b>NOTE 15: CASH AND BANK BALANCES</b>		
<b>(a) Cash and Cash Equivalents:</b>		
(i) Balances with Banks in Current Accounts	44,727,240	35,229,694
(ii) Cash on hand	1,107,591	1,837,814
<b>(b) Other Bank Balances</b>		
(i) Unpaid Dividend Accounts (Earmarked Balances)	631,432	786,628
(ii) Fixed Deposits with Banks	93,248,819	85,121,016
Fixed Deposits with maturity of more than 12 months Rs. 28,12,500 (PREVIOUS YEAR - Rs. 84,37,500)		
FDRs include Rs. 31,548,819 (P.Y. Rs. 36,600,000) held security against the Bank Guarantee and Rs.50,00,000 (P.Y. Rs.25,00,000) held by Globe Capital Market Limited (Clearing Member).		
<b>Total</b>	<b>139,715,082</b>	<b>122,975,152</b>

PARTICULARS	As At 31.3.2014 ₹	As At 31.3.2013 ₹
<b>NOTE 16 : SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured, considered good:</b>		
Advance Income Tax	1,900,000	1,950,000
Income Tax Refund due	6,365,051	3,961,140
TDS Receivable	1,653,358	1,581,110
Service Tax Credit	491,382	416,633
BSE (Against TDS)	177,281	66,682
NSE (Against TDS)	458,726	235,821
MCX (Against TDS)	328,354	399,982
NCDX (Against TDS)	89,620	58,555
Advance to Staff	2,163,934	2,064,088
Prepaid Expenses	2,323,352	999,956
Other Advances	995,337	3,569,924
Internet Deposit (Shyam Internet Services)	8,334	8,334
Rent Deposits	4,024,248	3,688,318
Legal Deposit	10,000	10,000
Electricity Deposits	79,347	79,347
Lease Line Deposit	15,000	15,000
Telephone Deposits	87,053	74,159
V-SAT Deposits	100,003	600,003
Deposit Against Securities Appeallate Tribunal	700,000	700,000
The New India Assurance Company Ltd.	1,472	1,472
Saai Jewellers	650,000	-
<b>Total</b>	<b>22,621,852</b>	<b>20,480,524</b>

<b>NOTE 17 : OTHER CURRENT ASSETS</b>		
Accrued Income	5,940,148	2,642,178
Adhesive Stamps	15,500	469,000
BSE Derivatives Incentive Receivable	14,040	414,040
Margin A/c	3,950,000	11,703,015
PMS Registration Charges	-	70,310
Miscellaneous Expenditure Not Written Off	71,721	143,442
<b>Total</b>	<b>9,991,409</b>	<b>15,441,985</b>

PARTICULARS	For the year ended 31.3.2014 ₹	For the year ended 31.3.2013 ₹
<b>NOTE 18: REVENUE FROM OPERATIONS</b>		
(a) Brokerage Realised	129,959,853	132,472,157
(b) Sales of Shares and Securities	5,320,150	2,372,110
(c) Other Operating Revenue (from Share Broking Business) :		
(i) Turnover Charges	15,352,604	15,733,697
(ii) Auction Charges	65,699	54,732
(iii) Demat and Depository Charges	4,912,934	4,210,233
(iv) Delay in Pay in Charges	30,146,263	33,883,119
(v) Advisory Charges	102,124	100,101
(vi) Contract Handling Charges	168,463	203,039
(vii) Client Registration Charges	266,952	155,456
<b>Total</b>	<b>186,295,042</b>	<b>189,184,644</b>

PARTICULARS	For the year ended 31.3.2014 ₹	For the year ended 31.3.2013 ₹
<b>NOTE 19 : OTHER INCOME</b>		
(a) Interest Income	9,296,493	9,656,892
(b) Profit on F & O trading	8,153,953	-
(c) Dividend Income	841,337	700,326
(d) Net Gain on Sale of Investment	811,008	-
(e) Profit on Sale of Fixed Assets	9,376	-
<b>(f) Other Non Operating Income</b>		
(i) Internet ID Connectivity	29,973	62,232
(ii) Incentives from Exchange	2,228,913	1,820,622
(iii) Other Income	600,945	579,178
<b>Total</b>	<b>21,971,998</b>	<b>12,819,250</b>
<b>NOTE 20: EMPLOYEE BENEFIT EXPENSES</b>		
(a) Salaries and Incentives	59,485,430	49,003,870
(b) Directors Remuneration		
(i) Remuneration	6,000,000	6,000,000
(ii) Contribution to Provident Fund	18,720	18,720
(c) Contributions to -		
(i) Provident fund	66,300	62,400
(ii) Gratuity fund contributions (Premium to LIC)	14,788	14,277
iii) Provision for Gratuity (As per AS 15)	340,978	266,343
<b>(d ) Staff welfare expenses</b>	<b>1,376,388</b>	<b>1,010,069</b>
<b>Total</b>	<b>67,302,604</b>	<b>56,375,679</b>
<b>NOTE 21: FINANCE COST</b>		
Interest expense	18,431,865	25,080,517
Bank Charges	760,132	872,447
<b>Total</b>	<b>19,191,997</b>	<b>25,952,964</b>
<b>NOTE 22: OTHER EXPENSES</b>		
Advertisement Expenses	914,419	411,987
Auditor's Remuneration	214,500	214,500
Bad Debt	16,587	81,432
Balances Written Off	-	26,693
Business Promotion	539,783	605,513
Client Servicing and Branch management expenses	24,904,707	37,025,867
Commission	25,511,284	26,036,109
Commission Paid (Others)	105,100	125,000
Conveyance Expenses	465,396	293,336
Demat Charges	532,070	57,129
Depository Expenses	1,106,765	1,010,353

PARTICULARS	For the year ended 31.3.2014 ₹	For the year ended 31.3.2013 ₹
Diwali Expenses	757,571	334,306
Income Tax on Assessment ( AY 08 - 09 and AY 09-10)	-	22,830
Tax on assesment for the year( A.Y. 2010-11)	-	67,700
Insurance	678,830	658,680
Legal & Professional Exp.	3,449,085	2,762,609
Long Term Capital Gain/loss	5,887,179	-
Short Term Capital Loss/Gain	35	-
Loss on trading	54,505	9,060,629
Membership Fees & Subscription	707,700	307,000
Miscellaneous Expense	1,051,537	1,060,558
Office Maintenance	3,700,209	2,287,280
Merchant Banking Regis Charges	126,390	-
Penalty	78,925	344,290
Printing & Stationary	1,003,712	886,723
Rates & taxes	142,900	158,073
Registration fee	308	83,705
Rent	11,944,553	9,257,944
Repairs, Maintenance and Software Maintenance	5,255,720	3,996,966
Loss on sale of fixed assets	-	23,545
SEBI Fees	204,628	321,359
SMS Charges	221,400	78,030
Telephone & Internet Charges	4,972,616	4,983,230
Travelling Expenses (Directors)	367,580	460,638
Travelling Expenses (Others)	525,858	556,012
V-SAT Expenses	88,418	410,742
Water and Electricity Expenses	3,680,433	3,539,785
Wealth Tax	23,670	30,263
<b>Total</b>	<b>99,234,373</b>	<b>107,580,817</b>
<b>NOTE 23: EXCEPTIONAL ITEMS</b>		
<b>Excess Provision Written Back</b>		
(i) Income Tax	-	8,612
(ii) Depreciation Written Back	3,076,694	3,684,227
(iii) Others	24,437	17,295
<b>Total</b>	<b>3,101,131</b>	<b>3,710,134</b>

#### **NOTE: 24 OTHER NOTES TO FINANCIAL STATEMENTS.**

1. a) Contingent liabilities for Bank Guarantee issued in favour of NSE / BSE is Rs. 3,00,00,000/- (Previous year was Rs. 3,00,00,000/-) and issued in favor of MCX / NCDEX for Rs. 2,10,00,000/- (P.Y Rs. 2,10,00,000/-) .

- b) Demand in respect of the following matters is as follows:

(Figures in Rs.)

Income Tax (A.Y. 2011-12)	:	Rs.69,62,560 /-
Income Tax (A.Y. 2011-12) -Subsidiary	:	Rs.1,37,850 /-
Income Tax	:	Rs. 93,375/-
Service Tax	:	Rs.30, 89,019/-
SEBI Penalty	:	Rs.7, 00,000/-
<b>Total</b>	:	<b>Rs.1,09,82,804 /-</b>

- c) A demand of Rs. 2, 42,260/- has been raised by the Income Tax Department for A.Y. 2010-11. The demand is due to the reason that the assessing officer has made certain additions for which the Company has not preferred any appeal. The department has also not allowed credit of certain TDS claimed by the Company. As the exact calculation for amount of tax and interest is not available with the Company, the Company has provided Rs. 67, 700/- on prudent basis in the F.Y.2012-13, out of the above demand.

- d) A provision of Rs. 3, 94,000/- for the similar reasons on prudent basis has been made during F.Y. 2011-12, the same has not been paid by the Company as no calculation for the bifurcation of the amount for tax and interest has been made available to the Company by the income tax department.

2. In the opinion of Management the current assets, loans and advances have a value on realization in the ordinary course of the business at least equal to the amount at which they are stated and provisions for all known liabilities have been made. Balance of Sundry Debtors and Sundry Creditors are subject to confirmations.

3. Statutory auditor's remuneration :

(Figures in Rs.)

Particulars	31.3.2014	31.3.2013
Statutory audit	1,64,500/-	1,64,500/-
Tax audit	25,000/-	25,000/-
Certification Fees	15,000/-	15,000/-
Other Services	10,000/-	10,000/-
<b>TOTAL</b>	<b>2,14,500/-</b>	<b>2,14,500/-</b>



4. Disclosure of Related Parties/Party transaction :

A. List of Related Parties (where transactions have taken place)

S.No.	Name of Related Party	Nature of Relationship
1.	<b>Key Management Personnel/individuals having control or significant influence.</b> a) Mr. Sunil Nyati b) Mrs. Anita Nyati c) Mr. Anil Nyati d) Mr. S.N. Maheshwari e) Mr. Vinod Gupta f) Mr. C.R. Doshi g) Mr. Tarun Kumar Baldua h) Mr. Ramanlal Bhutda i) Mr. Parth Nyati	Managing Director Whole Time Director Director Director Director Director Director Director Director
2.	<b>Relatives of Key Management Personnel /individuals having control or significant influence.</b> a) Mrs. Sita Nyati b) Mr. Chandmal Nyati  c) Mrs. Vandana Nyati d) Mr. Vandit Nyati  e) Mrs. Krishna Prabha Maheshwari f) Mr. Manish Maheshwari g) Mrs. Raksha Maheshwari h) Mrs. Rekha Gupta i) Mrs. Shashi Baldua j) Mrs. Manjubala Baheti	} Relatives of Managing Director  } Relatives of Director  } Relatives of Director
3.	<b>Enterprises owned/controlled by key managerial personnel or individuals having control or significant influence.</b> a) Sunil Nyati H.U.F. b) Anil Nyati H.U.F. c) Tarun Kumar Baldua(HUF) d) ENAR Collections	H.U.F. of Managing Director H.U.F. of Executive Director HUF of Director Proprietorship firm of Director's Relative
4	Swastika Commodities Pvt. Ltd. Swastika Insurance Services Limited Swastika Fin-Mart Private Limited	} Subsidiary Companies

**B. Transactions with Related Parties:**
**(Figures in Rs.)**

S. No.	Particulars	Key Management Personnel/ individuals having control or significant influence.	Relatives of Key Management Personnel / individuals having control or significant influence.	Subsidiary	Enterprises owned/ controlled by key managerial personnel or individuals having control or significant influence.	Total
1	<b>Expenditure</b> Salaries and Other benefits(including PF Contribution)	6,018,720/- (6,018,720/-)	- (-)	- (-)	- (-)	6,018,720/- (6,018,720/-)
	Office Rent	- (-)	- (-)	- (-)	3,00,000/- (3,00,000/-)	3,00,000/- (3,00,000/-)
	Stationery And Printing	- (-)	- (-)	- (-)	129,528/- (277,261/-)	129,528/- (277,261/-)
2	<b>Income</b> Brokerage Received	19,682/- (15,143/-)	615/- (7,024/-)	- (-)	13/- (394)	20,310/- (22,561/-)
3	Expenses Recovered	- (-)	- (-)	34,728,589/- (31,664,038/-)	- (-)	34,728,589/- (31,664,038/-)
4	Loan Taken	13,570,000/- (-)	- (-)	46,84,870/- (35,95,000/-)	- (3,75,000/-)	18,254,870/- (39,70,000/-)
5	Loan Repaid	13,570,000/- (-)	- (-)	46,84,870/- (35,95,000/-)	- (3,75,000/-)	18,254,870/- (39,70,000/-)
6	<b>Outstandings :</b>					
	Creditors	44,059/- (14,437/-)	281/- (84,168/-)	- (-)	- (-)	44,340/- (98,605/-)
	Loan Receivable	- (-)	- (-)	- (-)	3,56,000/- (-)	3,56,000/- (-)

**Note: Figures in brackets represent previous year balances.**

- C. Related Parties are identified by the management and relied upon by the Auditor.  
D. No Balances in respect of Related Parties have been written off.

5. The details of the group's post retirement benefit plan for gratuity for its employees in conformity with the principles set out in AS 15 which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors are given below :

(Figures in Rs.)

Sr.No	Particulars	2013-14	2012-13
I.	<b>Changes in present value of obligations</b>		
	Present Value of Obligations at beginning of the year	2103795	1717396
	Interest cost	168304	137392
	Current Service Cost	242411	224924
	Benefits Paid	(143438)	0
	Actuarial (gain)/loss on obligations	(69692)	24083
	Present Value of Obligations at end of the year	2301380	2103795
II.	<b>Changes in fair value of plan assets</b>		
	Fair Value of Plan Assets at beginning of the year	1456417	1320114
	Expected Return on Plan Assets	95641	120056
	Contributions	45	16247
	Benefits Paid	(143438)	0
	Actuarial gain/(loss) on plan assets	NIL	NIL
	Fair Value of Plan Assets at end of the year	1408665	1456417
III.	<b>Fair Value of plan assets</b>		
	Fair Value of Plan Assets at beginning of the year	1456417	1320114
	Actual Return on Plan Asset	95641	120056
	Contributions	45	16247
	Benefits Paid	(143438)	0
	Fair Value of Plan Assets at end of the year	1408665	1456417
	Funded Status	(892715)	(647378)
	Excess of actual over estimated return on Plan Assets (Actual rate of return =Estimated rate of return as ARD falls on 31st March)	NIL	NIL
IV.	<b>Actuarial Gain/(Loss) Recognized</b>		
	Actuarial Gain/(Loss) for the year (Obligation)	(69692)	(24083)
	Actuarial Gain/(Loss) for the year (Plan Assets)	NIL	NIL
	Total Gain/(Loss) for the year	69692	24083
	Actuarial Gain/(Loss) recognized for the year	69692	24083
V.	<b>Amounts recognized in the Balance Sheet</b>		
	Present Value of Obligations at end of the year	2301380	2103795
	Fair Value of Plan Assets at end of the year	1408665	1456417
	Funded Status	(892715)	(647378)
	Net Asset/(Liability) recognized in the balance sheet	(892715)	(647378)
VI.	<b>Expense recognized in Profit and Loss Account</b>		
	Current Service Cost	242411	224924
	Interest cost	168304	137392
	Expected Return on Plan Assets	(95641)	(120056)
	Net Actuarial (Gain)/Loss recognized for the year	(69692)	24083
	Expense recognized in Profit and Loss Account	245382	266343
VII.	<b>Principal Assumptions</b>		
	Discount Rate	8.00%	8.00%
	Rate of increase in compensation	7.00%	7.00%

6. There are no amounts payable to any micro, small and medium (SMEs) scale industrial undertaking as identified by the management from the information available with the company and relied upon by the Auditors.
7. Shares and Securities received from or on behalf of clients, held by the Company as collateral in its own name in a fiduciary capacity, and/or are lodged with the exchanges/F & O Clearing Member towards additional base capital / exposure and / or pledged to bank against overdraft facility
8. In the current year, various expenses like advertisement, salary, rent and other expenses has been allocated and accounted for in respective expenses head on proportionate basis to the Subsidiary Company Swastika Commodities Private Ltd. and Swastika Fin-mart Private Ltd. the payment from Subsidiary Company has been received against the same.
9. Interest expenses is netted off by the amount of Rs. 52,45,505/- (Previous year Rs.73,80,049/-) allocated to the Swastika Commodities Pvt. Ltd. (a 100% Subsidiary Company) on account of utilization of the funds on behalf of the common clients of the Company and Swastika Commodities Pvt. Ltd.
10. In respect of subsidiary Swastika Commodities Private Limited, Fixed Deposit Of Rs. 25 Lakhs created on request of one client by debiting his account is submitted to MCX against margin and balance of sundry creditors has been reduced by amount of Rs. 25 lakhs.

11. Earnings per Share as per (Accounting Standard - 20)		2013-14	2012-13
Earnings per share have been computed as under:			
Profit attributable to equity shareholders (A)	Rs	9,232,469/-	3,040,455/-
Average number of equity shares outstanding (B)		29,59,700	29,59,700
Basic / Diluted earnings per share (A/B)	Rs	3.12	1.03

12. Deferred Tax Liability / (Assets) as per Accounting Standard-22.

(Figures in Rs)

Description	Deferred Tax Liability (Net) As at 1.4.2013	Current year Charge (Assets)	Deferred Tax Liability (Net) As at 31.3.2014
Depreciation Differences (Liability)	2,785,551	(296,547)	2,489,004
<b>TOTAL</b>	<b>2,785,551</b>	<b>(296,547)</b>	<b>2,489,004</b>

13. In the opinion of the management, fixed assets are not found to be impaired and therefore, no provision for impairment loss is made for the year.
14. Exceptional items represents the reversal of excess depreciation charged in earlier years of Rs. 30,76,694/- (Previous year Rs.36, 84,227/-) and other expenses of Rs. 24,437(Previous year related to gratuity of Rs. 17,295/-)
15. Previous year figures have been reclassified wherever necessary to confirm to the Classification for the year.

As per our Separate Report Attached

For R.S. BANSAL & CO.  
**CHARTERED ACCOUNTANTS**  
 FRN : 000939C

**VIJAY BANSAL**  
 Partner  
 M. No. 075344

Place:Indore  
 Date : May 17, 2014

For & on behalf of the Board of Directors  
 Swastika Investmart Limited

**Sunil Nyati**  
 (Managing Director)

**Anita Nyati**  
 (Whole Time Director)

## NOTICE OF 22<sup>nd</sup> ANNUAL GENERAL MEETING

Notice is hereby given that the 22<sup>nd</sup> Annual General Meeting of the Members of **SWASTIKA INVESTMART LIMITED** will be held on Saturday 27<sup>th</sup> September, 2014 At 4.00 P.M. at registered office of the company situated at 1<sup>st</sup> Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai- 400001 M.H. to transact the following business:

### ORDINARY BUSINESSES:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and the Statement of the Profit & Loss Account for the year ended on same date with the Reports of Board of Directors & Auditors thereon.
2. To declare a dividend on equity shares of the Company for the year ended March 31, 2014
3. To appoint Director in place of Shri S.N. Maheshwari, (DIN: 00049339), who retires by rotation and being eligible, offer himself for re-appointment.
4. To appoint Director in place of Shri Anil Kumar Nyati, (DIN: 00057314), who retires by rotation and being eligible, offer himself for re-appointment.
5. To appoint Auditors of the Company and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** subject to the provisions of Section 139, 142 and other applicable provisions, if any, of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s R. S. Bansal & Co., Chartered Accountants (ICAI Firm Registration No. 000939C), the retiring auditors of the Company be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General meeting on such remuneration as may be fixed by the Board."

### SPECIAL BUSINESS:

#### ITEM No. 6- Appointment of Shri Sunil Chordia (DIN No 00144786) as an Independent Director.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary resolution:-

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to said Act and Companies (Appointment and qualification of Directors) Rules, 2014 and the clause 49 of the listing agreement as may be amended from time to time, Mr. Sunil Chordia (DIN: 00144786 ), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 12<sup>th</sup> August, 2014 and who holds office until the date of the ensuing Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and who has given a declaration of independence under section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years from 12<sup>th</sup> August, 2014 to 11<sup>th</sup> August, 2019, and he shall not be liable to retire by rotation."

#### Item No. 7- Appointment of Shri Vijay Kumar Chowdhary (DIN No 06948145) as an Independent Director.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary resolution:-

**"RESOLVED that** pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to said Act and Companies (Appointment and qualification of Directors) Rules, 2014 and the clause 49 of the listing agreement as may be amended from time to time Shri Vijay Kumar Chowdhary (DIN: 06948145), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 12<sup>th</sup> August, 2014 and who holds office until the date of the ensuing Annual General Meeting, in terms of

Section 161 of the Companies Act, 2013, and who has given a declaration of independence under Section 149(6) of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing his candidature for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five years from 12<sup>th</sup> August, 2014 to 11<sup>th</sup> August, 2019, and he shall not be liable to retire by rotation.”

**Item No. 8: Appointment of Shri Chain Raj Doshi (DIN No.00482700) as an Independent Director of the Company.**  
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with Schedule IV to the said Act, and Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement as may be amended from time to time if any, (including any statutory modifications, amendments or re-enactments thereto for the time being in force), Shri Chain Raj Doshi (DIN No.00482700), who was holding position of the Independent Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in Section 149(6) of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office a term up to five consecutive years up to 31<sup>st</sup> March, 2019 and he shall not be liable to retire by rotation.”

**ITEM No.9: Appointment of Shri Raman Lal Bhutda (DIN No.01789675) as an Independent Director of the Company.**  
To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152, and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with Schedule IV to the said Act, and Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement as may be amended from time to time if any, (including any statutory modifications, amendments or re-enactments thereto for the time being in force), Shri Raman Lal Bhutda (DIN No. 01789675), who was holding position of the Independent Director of the Company whose period of office is liable to determination by retirement of directors by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in Section 149(6) of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office a term up to five consecutive years up to 31<sup>st</sup> March, 2019 and he shall not be liable to retire by rotation.”

**ITEM No. 10: Creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the Company.**  
To consider and if thought fit to pass with or without modification(s) the following Resolution as a Special Resolution:

**“RESOLVED THAT** in supersession of the resolution passed in Annual General Meeting held on 30<sup>th</sup> September 2006 under Section 293(1)(a) of the Companies Act, 1956 and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made there under, including any statutory modification(s) or re-enactment thereof, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of Directors which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by the resolution), to mortgage / charge / hypothecate /pledge/lease/create security in any form or manner on all or any of the movable and/or immovable properties of the Company, both present and future or the whole or substantially the

whole of the undertaking(s) of the Company for securing any loan(s) or facility(ies) including Rupee loans, foreign currency loans, debentures, bonds or other instruments or fund based and non fund based working capital facilities availed or as may be availed from time to time from any Financial Institution(s) or Bank(s) or Person(s) or entities together with interest, costs, charges, expenses and any other monies payable thereon by the Company within the overall borrowing limit for a sum not exceeding Rs. 100 Crores (Rupees One Hundred Crores only) over and above the aggregate of the paid up capital of the Company and its free reserves, which have been/are proposed to be obtained.

**"RESOLVED FURTHER THAT** the securities created or to be created by the Company as aforesaid may rank prior/pari passu/subservient with/to the mortgages and/or charges already created or to be created by the company as may be agreed to between the Board of Directors of the Company and the concerned parties."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to create or revise / renew the securities / or release the securities and to do all such acts, deed and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matter connected therewith or incidental thereto"

**ITEM No. 11: Authority to obtain loans/borrowings under Section 180(1) (c) of the Companies Act, 2013.**

**To consider and if thought fit to pass with or without modification(s) the following Resolution as Special Resolution:**

**"RESOLVED THAT** in supersession of the earlier resolution passed in Annual General Meeting held on 14<sup>th</sup> September 2012 under Section 293(1)(d) of the Companies Act, 1956 and pursuant to the provision of Section 180(1)(c) and the other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of Directors which the Board may have constituted or hereinafter constitutes to exercise its powers including the powers conferred by the resolution), for borrowing any sum or sums of money (including fund based and non fund based working capital facilities from the Consortium Member banks) from time to time at their discretion for the purpose of the Company, even if the borrowing(s) together with the monies already borrowed by the Company exceeds the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, apart from temporary loans obtained from the Company's bankers in the ordinary course of business, and determine, fix, arrange or agree to the terms and conditions of all such monies borrowed / to be borrowed from time to time, provided however, that such borrowing shall not exceed Rs. 100 Crores (Rupees One Hundred Crore only)."

**"RESOLVED FURTHER THAT** Board of Directors be and is hereby further authorized to create mortgages and/or charges on such properties of the Company as it may think fit and for that purpose to execute such documents, papers, deeds, and writings containing such conditions and covenants as the Board may think fit and to take all such steps as may be necessary or desirable to give effect to this Resolution."

**By Order of the Board of Directors  
For SWASTIKA INVESTMART LIMITED**

**Place : INDORE  
Date : 12/08/2014**

**(SUNIL NYATI)  
Managing Director  
00015963**

**SWASTIKA INVESTMART LIMITED**

**CIN: L65910MH1992PLC067052**

**Registered Office: 1<sup>st</sup> Floor, Bandukwala Building,**

**British Hotel Lane Fort, Mumbai 400001 M.H.**

**WEB: [www.swastika.co.in](http://www.swastika.co.in)**

**EMAIL: [secretarial@swastika.co.in](mailto:secretarial@swastika.co.in)**

**Phone: 022-66330000**

## Notes :

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN MEETING INSTEAD OF HIMSELF/HERSELF AND SUCH PERSON NEED NOT BE THE MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY, DULY COMPLETED, MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING.
- A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carry voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member. A proxy form for the Annual General Meeting is enclosed.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- The Members are requested to:
  - a) Intimate changes, if any, in their registered addresses immediately.
  - b) Quote their ledger folio/DPID number in all their correspondence.
  - c) Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
  - d) Bring their Annual Report and Attendance Slips with them at the AGM venue.
  - e) Send their Email address to us for prompt communication and update the same with their Depository Participants to receive softcopy of the Annual Report of the Company.
- Corporate Members are requested to forward a Certified Copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- The Statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed herewith.
- Members may also note that Notice of this Annual General Meeting and the Annual Report for financial year 2013-14 will also be available for the Company's website i.e [www.swastika.co.in](http://www.swastika.co.in)
- The Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
- The Register of Members and share transfer book of the Company will remain closed during the period from Wednesday 24<sup>th</sup> September, 2014 to Saturday 27<sup>th</sup> September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
- Members are requested to note that dividends not claimed within seven years from the date of transfer to company's unpaid dividend account will as per Section 124 of the Companies Act, 2013 (Section 205A of the erstwhile Companies Act, 1956), be transferred to the Investor Education and Protection Fund. Members, who have not en-cashed the dividend warrant, are requested to make their claim to Swastika Investmart Limited. It may be noted that once the amounts in the unpaid dividend accounts are transferred to IEPF (Investor Education and Protection Fund) or the Company in respect thereof and the Members would lose their right to claim such dividend. Members who have not yet en-cashed their dividend warrant(s) for the financial year 2006-07 onwards, are requested to make their claims without any delay. It may be noted that the unclaimed dividend declared on 29.09.2007 can be claimed by the shareholders by 28<sup>th</sup> October, 2014
- 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.
- Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such folio and send relevant share certificates to companies Registrar and Share Transfer Agent for their doing needful.
- Members are requested to contact the Registrar and Share Transfer Agent for all matter connected with Company's shares at Ankit Consultancy Private Limited, 60, Electronic Complex, Pardeshipura, Indore.
- The Company has designated an exclusive email ID [secretarial@swastika.co.in](mailto: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.



- The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company.
- Additional information pursuant to Clause 49 of the Listing Agreement with the stock exchanges in respect of the Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Annual Report. The Directors have furnished the requisite consents / declarations for their appointment / re-appointment.
- Electronic copy of the Annual Report for 2013-14 is being sent to all the Members whose e-mail ids are registered with the Company/Depository Participants(s) for communication purposes unless any Member has requested for a hard copy of the same. For the Members who have not registered their e-mail address, physical copies of the Annual Report for 2013-14 is being sent in the permitted mode. Members who have not yet registered their e-mail id so far are requested to register the same with the Company (if shares are held in physical form) or Depository participant (if shares are held in demat mode). Members are also requested to intimate to the Company the changes, if any in their e-mail address.
- The Ministry of Corporate Affairs ('MCA') has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies and has issued Circular No. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. The Company proposes to send the documents to its Members like notices, annual report, etc. in electronic form. Members are requested to provide their email ID to the depositories who are holding their shares in demat form and the members who are holding their shares in physical form may send the duly filed form to our Registrar Ankit Consultancy Private Limited, 60, Electronics Complex, Pardeshipura, Indore - 452010 M.P. for sending the document in electronic form.
- The businesses as set out in the Notice may be transacted through electronic voting system and the Company shall provide a facility for voting by electronic means. In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to offer the facility of the voting through electronic means, as an alternate, to all its members to enable them to cast their votes electronically instead of casting their vote at the meeting. If a member has opted for e-voting, then he/she should not vote by physical ballot also and vice-versa. However, in case members cast their vote both via physical ballot and e-voting, then voting through electronic mode shall prevail and voting done by physical ballot shall be treated as invalid. For E-voting facility, the Company has entered into an agreement with the CDSL for facilitating E-voting. The **Procedure and instructions for E-voting given below:**

**Instructions for shareholders voting through electronic means:**

- The e-voting period begins on Monday 22<sup>nd</sup> September, 2014 from 9.30 A.M. and ends on 23<sup>rd</sup> September, 2014 at 6.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22<sup>nd</sup> August, 2014, may cast their vote electronically in proportion to their shares in the paid up equity share capital of the company. The e-voting module shall be disabled by CDSL for voting thereafter.
- The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- Click on "Shareholders" tab.
- Now, select the "SWASTIKA INVESTMART LIMITED" from the drop down menu and click on "SUBMIT"
- Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

PAN	<b>For Members holding shares in Demat Form and Physical Form</b> Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for **SWASTIKA INVESTMART LIMITED** on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details they have to create a user who would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- Mr. L.N. Joshi , Practicing Company Secretary (Membership No. 5201) has been appointed as the scrutinizer to receive and scrutinize votes casted electronically by the members in a fair and transparent manner.
- The scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witness not in the employment of the company and make a scrutinizer's report of the votes cast in favor or against , if any , forthwith to the chairman of the Company.
- The Results, shall be declared on or after the AGM of the Company. The results declared along with the scrutinizer's Report shall be placed on the Company's website [www.swastika.co.in](http://www.swastika.co.in) and website of CDSL and will be communicated to the stock exchange.

Relevant documents referred to in this Notice are open for inspection at the registered office of the Company on all working days (except Saturdays) between 11.00 a.m. to 1.00 p.m. up to the date of ensuing Annual General Meeting.

Place : INDORE  
Date : 12/08/2014

By Order of the Board of Directors  
For SWASTIKA INVESTMART LIMITED

(SUNIL NYATI)  
Managing Director  
DIN - 00015963

**SWASTIKA INVESTMART LIMITED**

CIN: L65910MH1992PLC067052

Registered Office: 1<sup>st</sup> Floor, Bandukwala Building,  
British Hotel Lane Fort, Mumbai 400001 M.H.

WEB: [www.swastika.co.in](http://www.swastika.co.in)

EMAIL: [secretarial@swastika.co.in](mailto:secretarial@swastika.co.in)

Phone: 022-66330000

## DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING

Name of Directors	Shri S.N. Maheshwari	Shri Anil Kumar Nyati	Shri Sunil Chordia	Shri Vijay K. Chowdhary	Shri Raman Lal Bhutda	Shri Chain Raj Doshi
DIN No.	00049339	00057314	00144786	06948145	01789675	00482700
Date of Birth	23/02/1936	05/08/1960	05/09/1963	05/01/1952	13/12/1948	04/05/1944
Date of Appointment	03/06/1992	31/03/1998	12/08/2014	12/08/2014	13/10/2007	25/08/2003
Expertise/Experience specific functional areas	Administration	Stock market and finance activities	Industrialist and having a rich and diversified knowledge	Administration and Management	Techno-Commercial Activities	Management
Qualification	B.Com	B.Com	B.Sc., MBA	B.Sc	MBA, BE	B.Com, LLB, PGDLL, LLM
No. & % of Equity Shares held	44900	154400	Nil	Nil	Nil	Nil
List of outside Company's Directorship held	Nil	SWASTIKA POLYOLEFINS PRIVATE LIMITED SWASTIKA COMMODITIES PRIVATE LIMITED SWASTIKA INSURANCE SERVICES LIMITED SWASTIKA AGROCOM PRIVATE LIMITED	RAJRATAN GLOBAL WIRE LIMITED RAJRATAN RESOURCES PRIVATE LIMITED RAJRATAN INVESTMENTS LIMITED SWARAJ TECHCRAFTS PRIVATE LIMITED LFC CONSULTANTS PRIVATE LIMITED	Nil	Nil	Nil
Chairman / Member of the Committees of the Board of Directors of the Company	Nil	Nil	1. Nomination and Remuneration Committee 2. Stakeholder Relationship Committee 3. Audit Committee	Nil	1. Nomination and Remuneration Committee 2. Stakeholder Relationship Committee 3. Audit Committee	1. Nomination and Remuneration Committee 2. Stakeholder Relationship Committee 3. Audit Committee
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	Nil	Nil	Nil	Nil	Nil	Nil
Relationship between directors inter-se	Mrs Anita Nyati is daughter of Shri S.N. Maheshwari	Mr Sunil Nyati and Mr Anil Nyati are brothers	No relations with any other Director	No relations with any other Director	No relations with any other Director	No relations with any other Director

## EXPLANATORY STATEMENT

Pursuant to Section 102 of the Companies Act, 2013

### Item No. 6

Shri Sunil Chordia, was appointed as an Additional Director of the Company at the meeting of the Board of Directors held 12<sup>th</sup> August, 2014 in accordance with the provisions of Section 161 of the Companies Act, 2013 ("the Act"). He holds office as a Director up to the date of the forthcoming Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Act, from the member along with the fee of Rupees One Lacs proposing the candidature of Shri Sunil Chordia for the office of Independent Director to be appointed, as such under the provisions of Section 149 of the Act to hold office for a term of five years up to 11<sup>th</sup> August 2019.

The Board of Directors is of the view that your Company would greatly benefit from the rich and varied experience of Shri Sunil Chordia and accordingly recommends the Ordinary Resolution set forth in Item No. 6 of the Notice for approval of the Members.

In the opinion of the Board, Shri Sunil Chordia fulfils the conditions specified in the Act and rules made there under the Equity Listing Agreement and he is independent of the management.

The brief profiles of the director who is proposed to be appointed as independent directors are annexed herewith separately with this notice.

Keeping in view of the experience and expertise of Shri Sunil Chordia the Board of Directors considers it desirable that the Company should avail his services and accordingly recommends the resolution as set out in Item no. 6 for approval of the members.

Shri Sunil Chordia, being appointee is considered as interested in the resolution to the extent of the remuneration as may be paid to him. Except that none of the directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

#### Item No. 7

Shri Vijay Kumar Chowdhary was appointed as an Additional Director of the Company at the meeting of the Board of Directors held 12<sup>th</sup> August, 2014 in accordance with the provisions of Section 161 of the Companies Act, 2013 ("the Act"). He holds office as a Director up to the date of the forthcoming Annual General Meeting.

The Company has received notice in writing under the provisions of Section 160 of the Act, from the member along with the fee of Rupees One Lacs proposing the candidature of Shri Vijay Kumar Chowdhary for the office of Independent director to be appointed, as such under the provisions of Section 149 of the Act to hold office for a term of five years up to 11<sup>th</sup> August 2019.

In the opinion of the Board, Shri Vijay Kumar Chowdhary fulfils the conditions specified in the Act and rules made there under the Equity Listing Agreement and he is independent of the management.

The brief profile of the director who is proposed to appointed as independent directors are annexed herewith separately with this notice.

Keeping in view of the experience and expertise of Shri Vijay Kumar Chowdhary the Board of Directors considers it desirable that the Company should avail his services and accordingly recommends the resolution as set out in item no. 7 for approval of the members.

Shri Vijay Kumar Chowdhary, being appointee is considered as interested in the resolution to the extent of the remuneration as may be paid to him. Except that none of the directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

#### Item No. 8 & 9

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered into with the Stock Exchanges, appointed Shri Chain Raj Doshi and Shri Raman Lal Bhutda Independent Directors at various times, in compliance with the requirement of the said Clause.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 ("the Act"), which came into effect from April 1, 2014, every listed public company is required to have at least one half of the total number of directors as independent directors, who are not liable to retire by rotation if chairman is executive.

The Board of directors of the Company comprises eight directors out of which, four are Non-Executive Independent Directors of the Company.

Keeping in view of the experience and expertise of the above referred directors and the contribution made by them to the Company, the Board of Directors considers it desirable that their continued association would be of immense benefit to the company and hence the company should continue to avail their services and accordingly recommends the Resolutions as set out in Item No.8 & 9 for approval of the members.

Shri Chain Raj Doshi and Shri Raman Lal Bhutda, Directors of the Company have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being recommended for a term of 5 (five) consecutive years up to 31<sup>st</sup> March 2019 and placed before the Members for approval.

In the opinion of the Board, Shri Chain Raj Doshi and Shri Raman Lal Bhutda fulfils the conditions specified in the Act and rules made there under the Equity Listing Agreement and they are independent of the management.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

Shri Chain Raj Doshi and Shri Raman Lal Bhutda are concerned or interested in the Resolutions of the accompanying

Notice relating to their own appointment.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution.

The brief profile of the directors who are proposed to appointed as independent directors are annexed herewith separately with this notice.

The Board commends the Ordinary Resolutions as set out at Item Nos. 8 to 9 of the Notice for approval by the members.

#### ITEM No 10

Section 180(1)(a) of the Companies Act, 2013 provides that the Board of directors of company shall not, without the approval of shareholders in general meeting by way of special resolution, mortgage, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company. The Company has earlier passed an ordinary resolution in annual general meeting held on 30.09.2006 as per provisions of Section 293(1)(a) of the Companies Act, 1956, and now it is required to pass a special resolution.

For meeting the growing needs of working capital and capital expenditure, the company may be required to approach the Bank/ Financial Institution/bodies corporate for sanction of Loan/ Borrowing. As a security, the Company may also be required to create Mortgage/ Charge on Fixed Assets in favor of the said banks/ Financial Institution. Since mortgaging and/or charging by the Company on all its immovable and movable properties or part thereof, may deemed to be disposal of the whole or substantially the whole of undertaking of the company within the meaning of Section 180 (1) (a) of the Companies Act, 2013 the consent of the members is required for limit of Rs. 100 Crore (Rupees One Hundred Crores only) proposed under the resolution which is considered adequate for the time being for meeting future requirement.

The Board recommends this resolution for approval of the members as a Special Resolution.

Pursuant to applicable provisions of the Companies Act, 2013, none of the directors & Key Managerial Personnel and their relatives is either directly or indirectly concerned or interested, financially or otherwise in the proposed resolution except in capacity of shareholder.

#### ITEM No 11

In terms of Section 180(1)(c) of the Companies Act, 2013, consent of the Company in General Meeting by way of Special Resolution is required by the Board of Directors of the Company ("the Board") to borrow monies for the purpose of the business of the Company, (apart from temporary loans obtained from the Company's bankers) in excess of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose. The Company has earlier passed an ordinary resolution in annual general meeting held on 14.09.2012 as per provisions of Section 293(1)(d) of the Companies Act, 1956, and now it is required to pass a special resolution.

Accordingly consent of members by way of Special Resolution is required under Section 180(1)(c) and other applicable provisions of the Companies Act, 2013, as set out at Item No. 11 of the Notice, to empower the Board of Directors to borrow money in excess of the aggregate of the paid up share capital and free reserves of the Company.

Hence approval of the members be sought to borrow a sum not exceeding Rs 100 Crores (Rupees One Hundred Crores) over and above aggregate of the paid-up capital and free reserves of the Company, to comply with Section 180(1)(c) of the Companies Act, 2013.

Your Directors recommend the special resolution set out in No.11 of the accompanying Notice for your approval.

None of the Directors or Key Managerial Personnel of the Company or their relatives, is in any way, concerned or interested, financially or otherwise, in the resolution.

**By Order of the Board of Directors  
For SWASTIKA INVESTMART LIMITED**

**Place : INDORE  
Date : 12/08/2014**

**(SUNIL NYATI)  
Managing Director  
DIN: 00015963**

#### SWASTIKA INVESTMART LIMITED

CIN: L65910MH1992PLC067052

Registered Office: 1<sup>st</sup> Floor, Bandukwala Building,

British Hotel Lane Fort, Mumbai 400001 M.H.

WEB: [www.swastika.co.in](http://www.swastika.co.in)

EMAIL: [secretarial@swastika.co.in](mailto:secretarial@swastika.co.in)

Phone: 022-66330000

**FORM NO.MGT- 11****PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3)  
of the Companies (Management and Administration) Rules, 2014]

CIN : L65910MH1992PLC067052

Name of company : SWASTIKA INVESTMART LIMITED

**Registered office:** 1<sup>st</sup> Floor, Bandukwala Building,  
British Hotel Lane Fort, Mumbai 400001

Name of the member (s) :

Registered address :

E-mail Id :

Folio No/ Client Id :

DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name : .....

Address : .....

E-mail Id : .....

Signature : ..... or failing him

2. Name : .....

Address : .....

E-mail Id : .....

Signature : ..... or failing him

3. Name : .....

Address : .....

E-mail Id : .....

Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the Saturday 27<sup>th</sup> September, 2014 At 1<sup>st</sup> Floor, Bandukwala Building, British Hotel Lane Fort, Mumbai 400001 M.H. at 4.00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

**Ordinary Business**

1. Receive, Consider and adopt Audited Financial Statement, reports of the Board of Directors and Auditor.
2. Declaration of Dividend
3. Appoint a Director in place of Shri S.N. Maheshwari, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment
4. Appoint a Director in place of Shri Anil Kumar Nyati, who retires by rotation at this Annual General Meeting and being eligible offers himself for re-appointment
5. Re-appointment of Auditor and Fixing their remuneration

**Special Business**

6. Appointment of Shri Sunil Chordia as an independent Director of the Company
7. Appointment of Shri Vijay Kumar Chowdhary as an Independent Director of the Company
8. Appointment of Shri C.R.Doshi as an Independent Director of the Company
9. Appointment of Shri Raman Lal Bhutda as an Independent Director of the Company

**Special Resolution**

10. Consent of the Company accorded to the Board of directors for Creation of mortgage and/or charge on all or any of the movable and/or immovable properties of the company U/s 180 (1) (a) of the Companies Act, 2013
11. Consent of the Company accorded to the Board of directors to obtain loan/borrowings under section 180 (1)(c) & (2) of the Companies Act, 2013

Signed this..... day of..... 2014

Signature of shareholder

Please affix  
revenue  
stamp

Signature of Proxy holder(s)

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**ATTENDANCE SLIP****ANNUAL GENERAL MEETING ON 27<sup>th</sup> DAY SEPTEMBER, 2014**

R.F. No./DPID \_\_\_\_\_ Mr./Mrs./Miss \_\_\_\_\_

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the Annual General meeting of the company on Saturday 27<sup>th</sup> September, 2014 at 1<sup>st</sup> Floor, Bandukwala Building, British Hotel Lane Fort, Mumbai 400001 M.H. at 4.00 P.M.

(If signed by proxy, his name should be Written in block letters)

\_\_\_\_\_  
(Shareholders/proxy's Signature)

- Note:**
1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
  2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.





at a glance



Inauguration of PMS & Merchant Banking Division by BSE CEO Mr. Ashish Chouhan



Time for Appreciation and Memento Distribution



'Synergy' The Cultural Night



Creative Recreation



Excursion Fun



Celebration of Republic Day



Markets at New High Celebration



All India Branch Managers' Training



Navratri Celebration



**॥ सर्वे भवन्तु धनिनः ॥**

*Return if not delivered :*

**SWASTIKA INVESTMART LIMITED**

Corporate Office : 48, Jaora Compound, M.Y.H. Road, Indore - 452 001

Tel. No. : 0731-6644000, Fax : 0731-6644300

Registered Office: 1<sup>st</sup> Floor, Bandukwala Building,

British Hotel Lane Fort, Mumbai 400001 M.H.

Tel. No. 022-66330000 info@swastika.co.in www.swastika.co.in

