

**WINNING
SMILE
FOR**



YEARS

SWASTIKA INVESTMART LIMITED CORPORATE INFORMATION

MANAGING DIRECTOR
Sunil Nyati

WHOLE TIME DIRECTOR
Anita Nyati

DIRECTOR
S. N. Maheshwari
Anil Nyati
Vinod Gupta
C. R. Doshi
Ramanlal Bhutda
Tarun Kumar Baldua

BANKERS
ICICI Bank Ltd. & HDFC Bank Ltd.

REGISTERED OFFICE
1st Floor, Bandukwala Building,
British Hotel Lane, Fort, MUMBAI - 400 001

ADMINISTRATIVE OFFICE
48, Jaora Compound,
M. Y. H. Road, INDORE - 452001

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

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

LISTED AT
Bombay Stock Exchange Ltd., Mumbai

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"Striving hard to achieve success through clients growth by following integrity, transparency and ethical practices in all our transactions."



Managing Director's Letter to the stakeholders

Dear Shareholders,

It is a delight to address you on completion of 20 eventful years of your company through this Annual Report for the financial year 2011-2012.

At this juncture, I express my sincere heartfelt gratitude and appreciation to all our cherished clients, associates, friends, and members of the Swastika family for bestowing their faith in the company, helping it in accomplishing its goals and take a strong foothold in the business. Swastika Investmart Ltd. (SIL) incorporated in the year 1992, as a financing company, SIL today is a conglomerate of different strategic services in fields of finance, investment, consultancy, research and education, with a pan India presence, serving over 40000 clients in 19 cities with over 31 branches across the country.

It has been a step by step journey where every dawn brought a new challenge and every dusk brought an achievement for us, but each day the motto was same, "Striving hard to achieve success through clients growth by following integrity, transparency and ethical practices in all our transactions."

Following back-to-back years of robust 8-8.5% GDP growth, pace of economic expansion slackened to 6.9% in Financial Year 11-12. Indian economy is facing the concerns of high inflation, Balance of payment deterioration, depreciating currency and high level of debts.

The company's performance has also been affected by high volatility and negative sentiments in the equity and currency markets. Despite these difficult circumstances, the company

continued to show a positive trend in its vital business parameters. While the company registered a consolidated profit of ₹90 Lakhs during the year and over all financials of the company became stronger as comparison with the year 31st March 2011.

I am happy to further report that during the year, the company has been registered as a member of Futures and Options Segment of BSE and NCDEX Spot Exchange. We are committed to being the best in class in whatever we do and providing a one stop financial hub to our present and prospective clients.

The most significant factor that contributes to the success of any organization is the manpower. We at Swastika ensure that the right person is available for the right job at the right time. Our dedicated team members, driven by a strong and determined leadership combined with efficient internal systems and processes are working hard to achieve the organizational goal of providing best value for money to our clients.

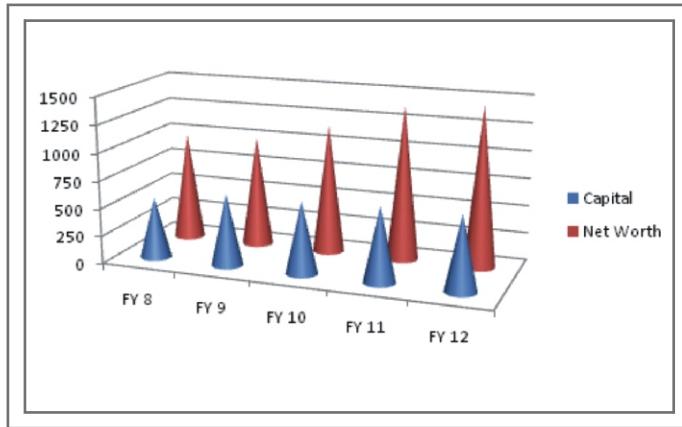
I firmly believe that being fair in setting our goals and objectives, being consistent with them and moving in rhythm with the changing economic and market scenario to achieve those goals and objectives, will surely take your company to new heights.

I look forward to your continued patronage and benediction in our future endeavors and journey to success.

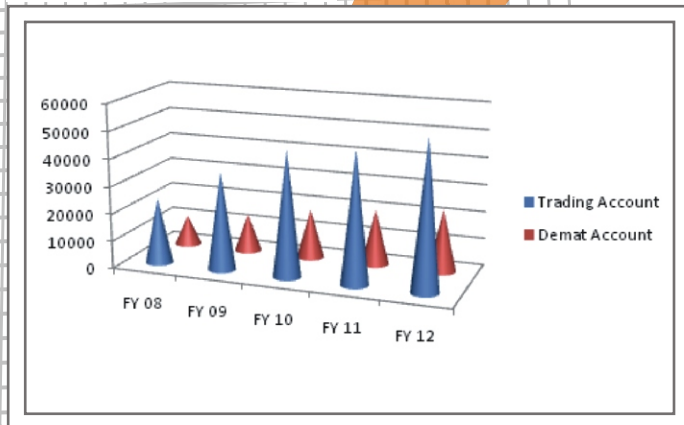
Sunil Nyati
(Managing Director)
Swastika Investmart Limited

Consolidated Performance

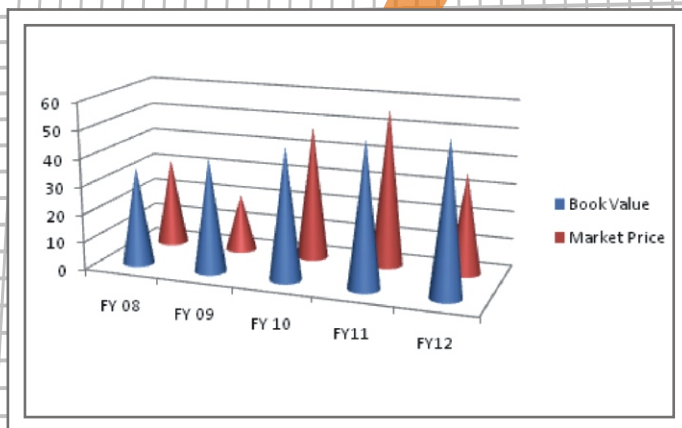
Capital and Net worth



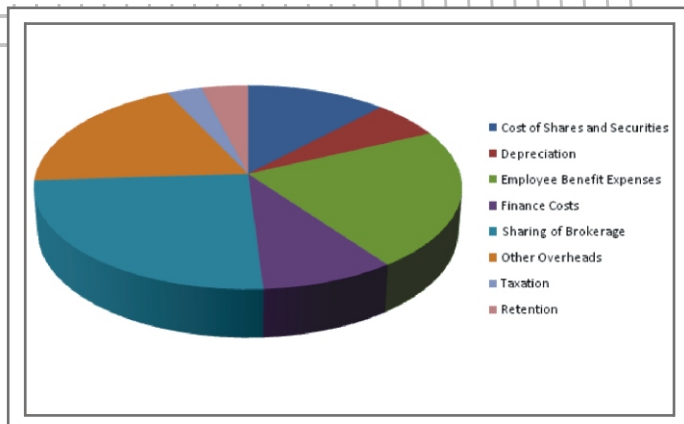
Rising Number of Clients



Book Value and Market Price per Share



Distribution of Earnings



DIRECTORS' REPORT

Dear Members,
Swastika Investmart Ltd.

Your Directors have immense pleasure in presenting the 20th Annual Report of the Company and the Audited Accounts for the financial year ended 31st March, 2012.

FINANCIAL HIGHLIGHTS

(Amount in ₹ Lacs)

PARTICULARS	31.03.2012	31.03.2011
Total Income	1340.25	2479.44
Profit before exceptional and extraordinary items and tax	87.61	222.24
Exceptional Items	2.29	4.51
Profit before extraordinary items and tax	89.90	226.75
Less : Extraordinary Items	-	-
Profit before tax	89.90	226.75
Less : Provision for Taxation		
Current tax	36.25	67.78
Deferred Tax	(7.54)	(4.88)
Profit for the Year	61.19	163.85
Amount Transferred to General Reserve	50.00	125.00
Earning per Share		
Basic	2.07	5.54

This year under review was challenging on many fronts. Due to sluggishness in overall capital market this financial year company could achieve total income of ₹ 1340.25 Lacs and earned net profit after tax of ₹ 61.19 Lacs in comparison to previous financial year's total income of ₹ 2479.44 Lacs and net profit after tax of ₹ 163.85 Lacs.

STANDALONE FINANCIAL STATEMENT

The Ministry of Corporate Affairs (MCA) vide notification No.S.O.447(E) dated 28th February, 2011 amended the existing Schedule VI to the Companies Act, 1956. The Revised Schedule VI is applicable from financial year commencing from 1st April, 2011. The Financial Statements of your company for the year ended 31st March, 2012 have been prepared in accordance with the Revised Schedule VI and accordingly, the previous year's figures have been reclassified/ regrouped to confirm to this years classification.

SUBSIDIARY COMPANY AND CONSOLIDATION OF ACCOUNTS

The Ministry of Corporate Affairs has vide its circular dated 8th February 2011, had granted general exemption to companies from attaching to their balance sheet , the accounts and other documents of their subsidiary

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 all its subsidiaries (i.e. Swastika Commodities Private Limited, Swastika Fin-mart Private Limited, Swastika Insurance Services Limited) are forming part of this Annual Report.

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.

DIVIDEND

In spite of nominal profit, your Directors are pleased to recommend a final dividend of 10% on the equity shares i.e. ₹ 1/- per Equity Share of face value ₹ 10/- subject to approval of the members in ensuing Annual General Meeting.

DIRECTORS

In accordance with the provision of the Companies Act, 1956 and as per Article 128 of Articles of Association of the Company Mr. Anil Nyati and Mr. C.R.Doshi Directors of the Company, retire by rotation and being eligible offer themselves for reappointment in ensuing Annual General Meeting.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, your directors hereby confirm:

- i) That in the preparation of the annual accounts for the financial year ended 31st March 2012; the applicable accounting standards have been followed;
- ii) 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;
- iii) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act, for safeguarding the assets of the Company and for preventing and detecting Fraud and other irregularities;
- iv) That they have prepared the annual accounts on a going concern basis.

PUBLIC DEPOSITS

Your Company has not accepted any Public deposit within the meaning of section 58A of the Companies Act 1956, read with the Companies (Acceptance of Deposit) Rules, 1975.

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

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.

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.

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.

AUDITORS

The auditors, M/s R.S. Bansal & Company, Chartered Accountants, Indore retire and being eligible offers themselves for re-appointment in ensuing Annual General Meeting.

AUDITORS REPORT

The auditors report to the shareholders on the Accounts of the Company for the financial year ending on 31st March 2012 does not contain any qualification or adverse remarks, which is self explanatory and need no comments.

SECRETARIAL COMPLIANCE CERTIFICATE

As per the requirement of provision of section 383A of the Companies Act, 1956, the company appointed M/s L.N.Joshi & Co., Company Secretaries and obtained a Secretarial Compliance Certificate, which 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 been posted on website of the company i.e www.swastika.co.in.

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 CEO certification are annexed hereto and form part of this Annual Report.

AUDIT COMMITTEE

Under the provisions of Companies Act, 1956 and Listing Agreement with the Stock Exchanges, the Audit committee Comprises of CA Vinod Gupta, Shri C.R. Doshi and Shri R.L. Bhutda.

DEPOSITORY SYSTEM

Your Company's shares are tradable compulsorily in electronic form and your Company has connectivity with both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL). In view of the numerous 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 risks, as considered necessary by the Management from time to time .The Company has also taken insurance cover for any claims /losses arising out of its core business of security broking.

GREEN INITIATIVES IN THE CORPORATE GOVERNANCE

In order to reduce cost of posting and speedy delivery of documents, service of documents through electronic mode has been permitted under section 53 of the Companies Act, 1956 in place of service of documents under certificate of posting. Similarly, to reduce the consumption of papers and speedy secure delivery, service of copies of Balance Sheets and Auditors Report etc., to the members of the company as required under section 219 of the Companies Act, 1956 has been allowed to be served through electronic mode by capturing their e-mail addresses available with the depositories or by obtaining directly from the shareholders.

LISTING OF THE SHARES

Equity shares of the company are listed on Bombay Stock Exchange Ltd., Mumbai and company has paid annual listing fee for financial year 2012-2013.

ACKNOWLEDGEMENT

The Directors place on record their gratitude to the government, regulators, stock exchanges, other statutory bodies, customers, business partners and the company's bankers for the assistance, co-operation and encouragement they extended to the company. The Directors also place on record their sincere appreciation of the employees for their continuing support and dedicated efforts made in ensuring and excellent all-round operational performance. Last but not the least; the directors would like to thank valuable shareholders for their co-operation, support and contribution. We look forward to their continued support and co-operation in the future.

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

**Place : Indore
Date : 28.05.2012**

Sunil Nyati Anita Nyati
Managing Director Whole Time Director

REPORT ON CORPORATE GOVERNANCE

A report of the financial year ended 31st march, 2012 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's philosophy on corporate governance is guided by the company's philosophy of knowledge, action and care.

BOARD OF DIRECTORS

- A) 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 with stock exchange.

As will be seen from the following table, none of the directors hold directorship in more than 15 public limited companies, 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.

Name of Director	Category	No. of Board Meetings Attended	Other Directorship		Committee Position		Whether Attended Last AGM held on 12.09.2011
			Chairman	Member	Chairman	Member	
Sunil Nyati	MD	10	-	3	-	-	Yes
S.N. Maheshwari	NED	10	-	-	-	-	No
Anil Nyati	NED	05	-	2	-	-	Yes
Vinod Gupta	ID	04	-	-	3	3	Yes
C.R. Doshi	ID	04	-	-	-	3	No
Anita Nyati	WTD	10	-	1	-	-	Yes
Raman Lal Bhutda	ID	04	-	-	-	3	No
Tarun Kumar Baldua	ID	04	-	-	-	-	No

MD = Managing Director, NED = Non Executive Director, ID = Independent Director, WTD= Whole Time Director

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.

During the year 2011-12 the Board met 10 (Ten) times on the following dates, namely:

15/04/2011	01/05/2011	30/05/2011	02/07/2011	11/08/2011
15/09/2011	11/11/2011	07/02/2012	25/02/2012	20/03/2012

i) Inter-se Relationship Among Directors

Mr. Sunil Nyati and Mrs. Anita Nyati are husband and wife, Mr. Sunil Nyati and Mr. Anil Nyati are brothers and Mrs. Anita Nyati is daughter of Mr. S.N Maheshwari. Except for this, there is no inter-se relationship among the directors.

ii) 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.

iii) Shareholding of Non-Executive Directors

The Number of equity shares held by Non-Executive Directors as on 31.3.2012 is as under:

Name of Director	No. of shares
S.N. Maheshwari	44900
Anil Nyati	154400
Vinod Gupta	-
C.R. Doshi	-
Raman Lal Bhutda	-
Tarun Kumar Baldua	-

iv) Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as per Clause 49(1) (A) of the Listing Agreement

Particulars	Mr. Anil Nyati	Mr. C.R. Doshi
Date of Birth	05/08/1960	04/05/1944
Date of Appointment	31/03/1998	25/08/2003
Qualification	Graduate	Graduate
Expertise in specific functional area	Stock market and finance activities	HR & Other Administrative
Directorship held in other Companies	Swastika Commodities Pvt. Ltd. Swastika Insurance Services Limited Swastika Polyolefins Private Limited	N.A.
Number of shares held in the Company	154400	N.A.
Relationship	Except brother of Mr. Sunil Nyati no other relationship with any other director	No relationship with any director

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 Managing Director briefs the Board at every meeting on the overall Company performance and compliance of the company wherever applicable.

C) Committees of the Board**l) Audit Committee (Mandatory Committee)**

The Company has constituted a qualified and independent Audit committee under section 292A of the Companies Act, 1956 read with clause 49 of the listing agreement. All the members of the committee, including committee chairman are independent director. All the members of the committee are financially literate.

i) Meeting and Composition

The Composition of Audit Committee as on 31.3.2012 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	
			Held During Tenure	Attended
CA Vinod Gupta	Non Executive Independent Director	Chairman	4	4
Mr. C.R. Doshi	Non Executive Independent Director	Member	4	4
Mr. Raman Lal Bhutda	Non Executive Independent Director	Member	4	4

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

30/05/2011	11/08/2011	11/11/2011	07/02/2012
------------	------------	------------	------------

As mandated by clause 49 of the Listing agreement

1. The representatives of statutory and internal auditors 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.

ii) Terms and reference of the Audit Committee

The terms of reference of Audit Committee are as under:

- 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 being 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.
- Reviewing with the management and external and internal auditors, the adequacy of internal control systems:
- Reviewing the adequacy of internal audit function;
- Discussing with internal auditors, any significant findings and follow up on such issues;
- Reviewing the findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity, or a failure of internal control systems of a material nature, and then reporting such matters to the Board;
- 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;
- Undertake such other functions as may be entrusted to it by the Board from time to time.

II) Shareholder / Investors Grievance Committee

Pursuant to clause 49 of the listing agreement, the Company has constituted a Board Committee designated as shareholder's/investor's Grievance Committee under the Chairmanship of Non Executive independent director to specifically look in the redressal of shareholder's/investor's complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividend and other ancillary matters. Smt. Smita Chaskar is the Compliance Officer of the company.

i) Meeting and Composition

The Composition of Committee as on 31.3.2012 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	
			Held During Tenure	Attended
CA Vinod Gupta	Non Executive Independent Director	Chairman	2	2
Mr. C.R. Doshi	Non Executive Independent Director	Member	2	2
Mr. Raman Lal Bhutda	Non Executive Independent Director	Member	2	2

- ii) During the year under review 1 (One) complaint was received from shareholders 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.

III) Remuneration Committee (Non mandatory Committee)

The Company has constituted a remuneration committee under Schedule XIII to the Companies Act, 1956 read with clause 49 of the listing agreement. All the members of the committee are Non Executive independent directors.

i) **Terms of reference**

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

ii) **Meeting and Composition**

The composition of committee as on 31.3.2012 and attendance record of the members at the meeting held during the year is as under:

Name of the Member	Category	Status	No. of Meetings	
			Held During Tenure	Attended
CA Vinod Gupta	Non Executive Independent Director	Chairman	1	1
Mr. C.R. Doshi	Non Executive Independent Director	Member	1	1
Mr. Raman Lal Bhutda	Non Executive Independent Director	Member	1	1

The Committee met one time during the year under review.

iii) **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, and expertise of the appointee and financial position of the company.

iv) **Remuneration of Directors**

(In ₹)

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

MANAGEMENTI) **The Management Discussion and Analysis Report**

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

II) **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.

III) **Compliance with Mandatory / Non Mandatory Requirements**

- The Company has complied with all the applicable mandatory requirements 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 have already been provided in this report . There is no audit qualification in the financial statement

SUBSIDIARY COMPANY

Swastika Investmart Limited has three subsidiary companies viz. M/s Swastika Commodities Private Limited, Swastika Insurance Services Limited and Swastika Fin-Mart Private Limited and Sunil Nyati and Mr. Anil Nyati are also Directors in Swastika Commodities Private Limited and 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 of the listing agreement 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 have yet not started their substantial business activities.

DISCLOSURES

- i) There were no material transactions of the Company with its promoters, directors, and management or their relatives that may have conflict with the interest of the Company at large.
- ii) 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.
- iii) 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.
- iv) 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.
- v) The following amounts of Penalty have been levied by NSE for non compliance found during the regular inspection, during the last three years:

FY 2009-10	₹ 494,500
FY 2010-11	₹ 25,000
FY 2011-12	₹ 319,000

- vi) During the year under review Company has not issued any type of securities. No GDR/ADR is issued by the Company.
- vii) 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.
- viii) As per clause 5A(II) of the listing agreement there is no unclaimed shares in the company.

SHAREHOLDER'S INFORMATION

i) Means of Communication

Presently, the quarterly/half yearly financial results are 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 contains information of the Company and its performance. Presentations from 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 ID is secretarial@swastika.co.in.

ii) General body meetings

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

Meeting	Date	Time	Venue
19th	12th September 2011	2.00 p.m.	1st Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai- 400001
18th	2nd September 2010		
17th	29th September 2009		

iii) 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.
- Following special resolutions were passed in last three Annual General Meetings by way of show of hands:
 - a) Alteration in Article of Association for increase In Authorized Share Capital in Annual General Meeting held on 29.9.2009.
 - b) Re-appointment of Managing Director and increase in remuneration of Whole Time Director in the Annual General Meeting held on 02.09.2010.

General Shareholder Information

- **Registered office of the Company:**
1st Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai 400001
- **Forthcoming Annual General Meeting:**
Date & time of meeting: 14th September, 2012 2.00 p.m. (Friday)
Venue of the meeting: Registered Office
Last date for receipt of proxy forms: 12th September, 2012
- **Financial Calendar:**

Particulars	1st April 2011 to 31st March 2012
Annual General Meeting	14th Sept. 2012
Results for the quarter ended	
1st Quarter ending 30th June, 2012 (First quarter)	Before 14th Aug. 2012
2nd Quarter ending 30th Sept, 2012 (Second quarter)	Before 14th Nov. 2012
3rd Quarter ending 31st Dec, 2012 (Third quarter)	Before 14th Feb. 2013
4th Quarter ending 31st Mar, 2012 (Fourth quarter and Annual)	Before 14th May 2013

- **Book Closure:**
The book closure period is from 8th September, 2012 to 14th September, 2012 (both days inclusive) to determine the members entitled to dividend.
- **Dividend Payment:**
Dividend, if any, declared in the forthcoming Annual general Meeting will be paid between 15th September to 20th September, 2012.

- **Transfer Unpaid/Unclaimed amount of 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 205 C of the Companies Act, 1956 on the respective dates mentioned below. Intimation in this regard is being sent to the concerned shareholders 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 of Unpaid Dividend to IEPF
2004-05	30.09.2005	29.10.2012
2005-06	30.09.2006	29.10.2013
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

- **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 2012-2013.

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 **INE 691C01014**.

- **Secretarial Audit for Reconciliation of Capital**

As stipulated by SEBI a qualified practising 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.

- **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.

- **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 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.

- **CEO/CFO Certification**

The CEO/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**

As required under clause 49 of the listing agreement, the company has obtained certificate from statutory auditors regarding compliance of conditions of corporate governance. The same is annexed to this report.

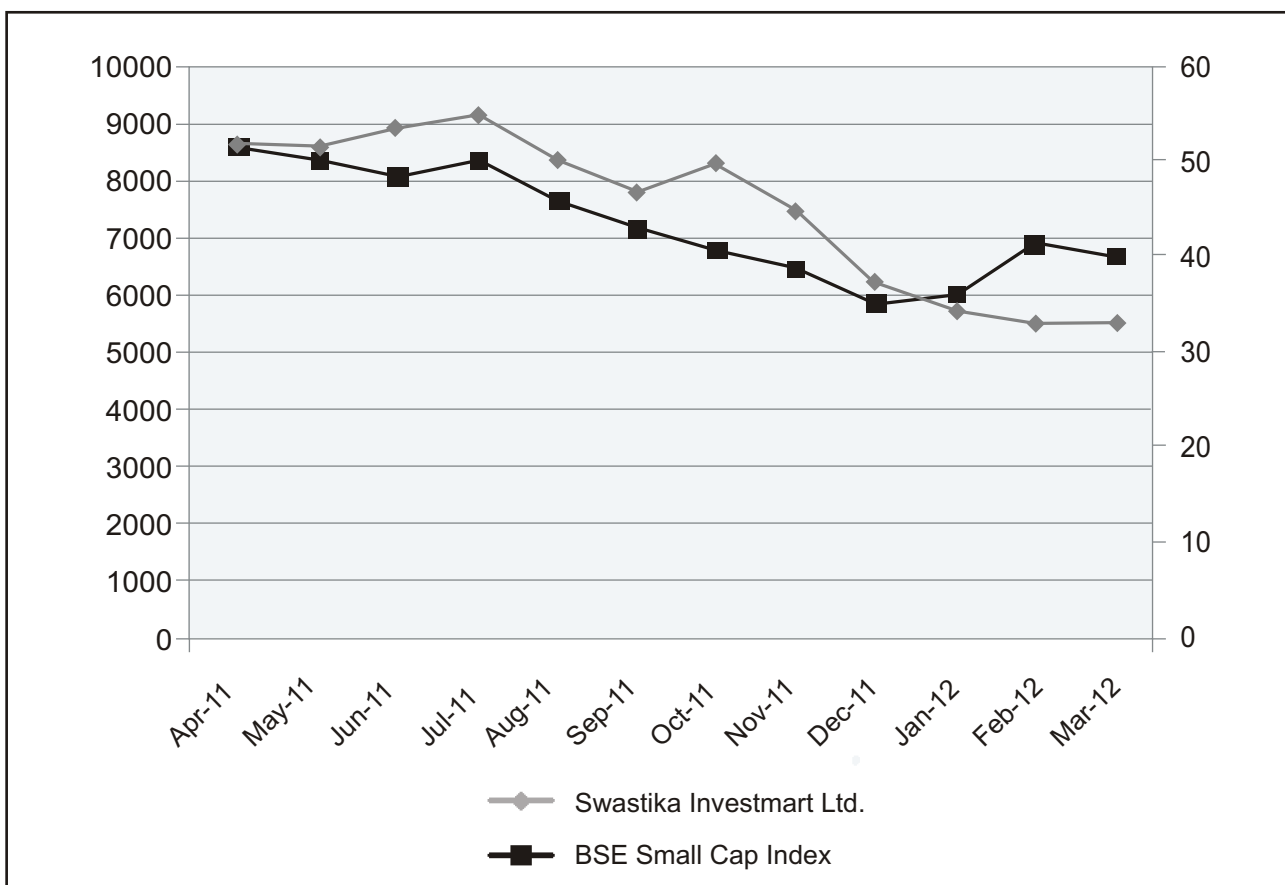
- Market Price Data:**

The Monthly High and Low prices and volume of Shares of the Company at the Bombay Stock Exchange for the year 2011-12 are as under:

Swastika Share Price (In ₹) :

Bombay Stock Exchange Limited												
Month	Apr.11	May11	June11	July11	Aug11	Sept11	Oct11	Nov11	Dec11	Jan12	Feb12	March12
High	54.95	55.00	61.35	64.80	53.10	50.30	55.80	54.95	44.00	41.35	39.80	40.00
Low	48.40	48.25	45.95	45.20	47.00	43.25	43.75	34.65	30.65	27.00	26.20	25.65
Average	51.68	51.63	53.65	55.00	50.05	46.78	49.78	44.80	37.33	34.18	33.00	32.83
Avg. Volume (In Nos.)	2830	15008	9439	27974	68041	1421	11960	50103	40254	7427	142522	52166

Comparison of the Company's Share Price with BSE Small Cap (FY 11-12)



SHAREHOLDING PATTERN AS AT 31st MARCH 2012

	Category	No. of Share Held	Percentage of Shareholding
A	Promoters Holding		
1.	Promoters: Indian Promoters Foreign Promoters	18,770,48 --	63.42 --
2.	Persons acting in concert	--	--
	Sub Total	1,877,048	63.42
B	Non-Promoters Holding	--	--
1.	Institutional Investors	--	--
2.	Mutual Funds and UTI	--	--
3.	Banks, Financial Institutions, Insurance Companies [Central/ State Govt. Institutions, Non- Government Institutions]	--	--
4.	FII's	--	--
	Sub-Total	--	--
5.	Others	--	--
	Private Corporate Bodies	299,633	10.12
6.	Individuals		
	Holding shares of value up to ₹ 1.00 Lac	537,534	18.16
	Holding shares of value in excess ₹ 1.00 Lac	243,274	8.22
7.	NRIs/OCBs	2,002	0.07
8.	Any other [Clearing Member]	209	0.01
	Sub-Total	1,082,652	36.58
	Grand Total	2,959,700	100.00

Distribution of Shareholding by size as on 31st March 2012:

Range of no. of Share	Shareholder		Share Value	
	Number	% of Total	In ₹	% of Total
(1)	(2)	(3)	(4)	(5)
Less than - 5000	741	74.47	1,378,050	4.66
5001 – 10000	124	12.46	1,007,920	3.41
10001 – 20000	35	3.52	488,300	1.65
20001 – 30000	20	2.01	530,290	1.79
30001 - 40000	5	0.50	179,200	0.61
40001 - 50000	19	1.91	931,650	3.15
50001 – 100000	20	2.01	1,339,200	4.52
100001 and above	31	3.12	23,742,390	80.22
	995	100.00	29,597,000	100.00

- **Shares held in Physical and Dematerialization form:**

As on 31st March 2012, 95.93% of shares were held in dematerialized form and rest 4.07% in physical form.

- **Outstanding GDRs / ADRs / Warrants or convertible instruments**

Not Applicable

- **Address for Correspondence**

Registrars and Share Transfer Agents

Ankit Consultancy Pvt. Ltd.

60, Electronics complex

Pardeshipura, Indore 452010 (M.P.)

Ph.0731-2551745-746 Fax: 0731-4065798

- **Administrative Office of the Company (For general assistance)**

Swastika Investmart Ltd.

48, Jaora Compound, M.Y.H. Road, Indore- 452 001(M.P.)

Ph.0731-6644000

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.

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 2011-2012.

For Swastika Investmart Limited

Place : Indore
Date : 28.05.2012

Sunil Nyati
Managing Director

CEO 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 31/03/2012 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 violative of 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 : 28.05.2012

For Swastika Investmart Limited

Sunil Nyati
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

We have examined to the compliance of conditions of Corporate Governance by Swastika Investmart Limited, for the year ended **31st March, 2012**, 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 31st March, 2012, the Registrars of the Company have certified that as at 31st March, 2012, 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 : 28.05.2012

For R.S. Bansal & Company
Chartered Accountants

Vijay Bansal
(Partner)

Membership No.: 075344

ANNEXURE TO THE DIRECTORS' REPORT

Management Discussion and Analysis

1) Economic Scenario

During the fiscal 2012, pace of economic growth slowed down across the world. India's GDP growth slumped down to a nine year low to 6.9%. This decline is due to both domestic as well as international factors. Euro zone crisis have impacted India, both in terms of investments coming in and trade problems. Hardening crude oil prices and faltering global economy resulted in fiscal deficit of 5.9%. In the domestic market, the industrial performance ended on a sad note as with the exception of electricity, gas and water supply sectors, every other sector grew at a slower pace. Despite the frequent and large rate increase by RBI, inflation level remains persistent. Weak business sentiments, declining capital inflows and rupee depreciating more than 25% within a year are the major concerns. Though Indian economy has become increasingly global over the years, domestic demand and supply conditions continue to be the drivers of Indian economy. India's GDP is expected to grow at 7.6% in 2012-13, subject to effective implementation and execution of reform measures undertaken in the various key sectors of the economy.

2) Industry Overview

Equity, commodity and currency markets remained volatile in financial year 2011-12. The Euro zone debt crises and Sovereign Rating Downgrades by rating agencies along with global economic slowdown dampened investors' sentiments. Retrospective tax changes to bring off-shore transactions involving Indian assets, have caused widespread unease among corporate and investors. In Fiscal 2012, characterized by high interest rates, inflation, high input costs and government policy inaction, 3 out of 4 Sensex companies generated negative returns for investors resulting in BSE's benchmark index falling by 10%. During the year FII's net inflows into India were quite lower compared to last fiscal. FII's stood at ₹ 2,307 Crore in the first nine months of the year, but the financial year finally ended with net FII inflow of ₹ 46,257 Crore. Introduction of Rajiv Gandhi Equity Savings Scheme in the Budget 2012-13, offers an opportunity to retail investors to be part of equity culture and will increase their participation in the Stock Market.

3) Business Outlook

Since its inception, the company has covered a journey of 20 successful years to grow into a ₹ 1,332 Lakhs net worth group. The company today holds the membership of NSE - Capital Market Division, Derivative Segment, Currency Segment, BSE - Capital Market Division and Derivative Segment, CDSL, NSDL, USE, ICRX, PMS and MCX and NCDEX through its wholly owned subsidiary Swastika Commodities Private Ltd. Your company has a client base of 50000+ satisfied customers across the country. We believe in providing best value for money through personalized services, highest levels of transparency, accountability and integrity in all our activities and committed to high standards of corporate governance. With an efficient and knowledgeable in house research team, we offer clients the entire array of financial products and services satisfying their financial needs.

4) Opportunities and Challenges

Your company operates in financial services sector, and any economic event in the country or across the borders can impact the company directly or indirectly. India today is projected to be the second fastest growing major economy after China. With expected GDP growth of 7.6% in financial year 2012-13, we assume significant rise in per capita income as well as disposable income of people. Our presence in diversified financial services stream, makes us well poised to satisfy our clients' financial needs and capture the increasing market revenues.

However, operations of the company may be affected by the negative sentiments in the Capital Markets, large budget deficit, rising inflation. Balance of Payment deterioration, contractions in manufacturing sector and global crisis may adversely affect the company's future growth profiles.

5) Risk Management Policies

Your company has a risk management framework, appropriate to the size of the company and environment under which it operates. The risk management process covers risk identification, assessment, analysis and mitigations and policies are framed appropriate for various risk categories namely Credit risk, Market risk, Operational risk and Regulatory risk. The Audit Committee reviews these policies and processes regularly and is periodically informed about the risk assessment, impact of risk on the business and mitigation plans.

6) Internal Control System

The company has appropriate Internal Control System for business processes and operations, financial reporting and compliance with applicable laws and regulations, to ensure proper safeguarding of assets and interests of the company. The company has efficient Internal Audit Department and robust Management Information System which are an integral part of the central mechanism. To add up, regular Management Audits and reviews ensure that the system is implemented and executed effectively. The Audit Committee actively reviews the internal control process and suggests appropriate improvements to further strengthen them.

7) Human Resources

Your company follows a human resource strategy of attracting and retaining the best talent and keep employees engaged, motivated and innovative. The talent and skills of staff members are nurtured in a culture that rewards continuous learning, collaboration and development to meet with the challenges posed by ever changing market realities. In the current year, numerous seminars, employee activities and social events were conducted, which greatly helped in improving team building and bonding.. Team Swastika consists of more than 350 skilled and professional people.

8) Financial And Operational Performance

Financial and Operational Performance forms part of the Annual Report and is presented elsewhere in the report.

9) Cautionary Statement

Statements in the Management Discussion and Analysis describing company's objectives, projections, estimates, expectations may be "forward-looking statements" within the meaning of applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the company's operations include various global and domestic economic factors.

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

Place : Indore
Date : 28.05.2012

Sunil Nyati **Anita Nyati**
Managing Director Whole Time Director

COMPLIANCE CERTIFICATE (See Rule 3)

CIN No.:L65910MH1992PLC067052
Nominal Capital : ₹ 500 Lacs

To,
The Members
M/S. SWASTIKA INVESTMART LIMITED.
1st 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 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 31st March, 2012. 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 and the rules made there under.
- 3) The Company, being a Public Limited Company, Comments are not required.
- 4) The Board of Directors duly met ten times on 15.04.2011, 01.05.2011, 30.05.2011, 02.07.2011, 11.08.2011, 15.09.2011, 11.11.2011, 07.02.2012, 25.02.2012 and 20.03.2012 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 Wednesday 7th September 2011 to Monday 12th September 2011 (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 31st March 2011 was held on 12th September, 2011 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 advanced any loans to its Directors or persons or firms or Companies referred to under section 295 of the Companies Act, 1956 except ordinary course of business.
- 9) As informed by Management, except in normal course business transactions and 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 have 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) Not required to transfer 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 .NA
- v) Duly complied with the requirements of section 217 of the Act.
- 14) The Board of Directors of the Company is duly constituted and there was no appointment of additional Directors, alternate Directors and Directors to fill casual vacancy during the 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.
- 24) The Company has not made any borrowing during the financial year ended 31st March 2012 exceeding the limit prescribed under section 293(1) (d) of the Act.
- 25) The Company has made loans and investments, or given guarantees or provides securities to other bodies corporate in compliance with the provision of the Act.
- 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 deposited both employee's and employer's contribution to provident fund with prescribed authorities pursuant to section 418 of the Act.

Place: Indore

Date : 28.05.2012

For L.N. Joshi & Co.
(Company Secretaries)

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

Annexure A

CIN No.:L65910MH1992PLC067052
 Nominal Capital : ₹ 500 Lacs

Registers as maintained by **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 of Duplicate Share Certificate under Rule 7 of Companies (Issue of Share Certificates Rules, 1960).
9. Register of Charges.

Other Registers.

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

Annexure B

Forms and Returns as filed by the Company with Registrar of Companies, Maharashtra during the financial year ending 31st March 2012.

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.	Secretarial Compliance Certificate Form No. 66	383A	FY 2010-2011	12.10.2011 P72385651	Yes	No
2.	Annual Return (Form No. 20B)	159	FY 2010-2011 AGM: 12.09.11	10.11.2011 P78702529	Yes	No
3.	Balance Sheet Form No. 23AC (In XBRL form)	220	FY 2010-2011	31.12.2011 P84321512	Yes	No

Place: Indore

Date : 28.05.2012

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

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

AUDITOR'S REPORT

**To,
The Members,
Swastika Investmart Ltd.**

We have audited the attached Balance-Sheet of **SWASTIKA INVESTMART LTD.** as at 31-03-2012 and also the statement of Profit & Loss and Cash Flow statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- 1) As required by the Companies (Auditors Report) Order, 2003 (CARO) issued by Central Government under Section 227(4A) of the Companies Act, 1956 (here-in-after referred to as the Act), and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure a statement to the matters specified in Paragraph 4 and 5 of the said order to the extent applicable to company.
 - 2) Further to our comments in the Annexure referred to paragraph 1 above we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge & beliefs were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as it appears from our examination of those books.
 - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of accounts of the Company.
 - d) In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.
 - e) On the basis of written representations received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as Director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read together with notes to accounts, gives the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the Accounting principles generally accepted in India:
 - i. In the case of Balance Sheet, of the State of Affairs of the Company as at March 31st, 2012.
 - ii. In the case of Statement of Profit and Loss, of the PROFIT for the year ended on that date.
- AND
- iii. In the case of the Cash Flow Statement, of the Cash Flows for the year ended on that date.

For : R.S. BANSAL & CO.
Chartered Accountants
FRN:000939C

Place : Indore
Date : 28.05.2012

Vijay Bansal
Partner
Membership No: 075344

**ANNEXURE TO THE AUDITOR'S REPORT AS REFERRED IN
PARAGRAPH ONE OF REPORT OF EVEN DATE TO THE MEMBERS OF
SWASTIKA INVESTMART LTD., MUMBAI
FOR THE YEAR ENDED ON 31-03-2012**

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 proper records, on yearly basis, showing full particulars, including quantitative details and situation of fixed assets. 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 this clause is not applicable.
- b) As per information and explanation given to us, the Company has not taken any loan, secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Act. Hence this clause is not applicable.
- 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 goods.
- 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 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 undisputed statutory dues in respect of Provident Fund, Employee's State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and 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.

- b) As informed and explained to us, that all the dues towards Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty & Cess, if any, are properly accounted in the books.

The detail of disputed demand is as under :-

Name of the Statue	Forum where Dispute is Pending	Period to Which the Amounts Relates	Amount in ₹
Income Tax Act	ITAT	FY 2006-07 (AY 2007-08)	93,375/-
Income Tax Act	ACIT, Mumbai	FY 2008-09 (AY 2009-10)	1,516,800/-
Finance Act, 1944 (for Service Tax)	Commissioner of Central Excise (Appeals), Indore	FY 2005-06 to FY 2007-08	3,089,019/-
Finance Act, 1944 (for Service Tax)	Commissioner of Central Excise (Appeals), Indore	FY 2005-06 to FY 2008-09	745,400/-
SEBI Act, 1992 Tribunal (SAT)	Securities Appellate Tribunal (SAT)	10/10/2008 to 20/11/2008	700,000/-

- 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 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 4(xvi) of the Companies (Auditor's Report) 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 & CO.**
Chartered Accountants
FRN:000939C

Place : Indore
Date : 28.05.2012

Vijay Bansal
Partner
Membership No: 075344

BALANCE SHEET AS AT 31.03.2012

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
A. Share Capital	2	29,825,500	29,825,500
B. Reserve & Surplus	3	92,590,967	89,911,882
	Total	122,416,467	119,737,382
2. Non- Current Liabilities			
A. Deferred Tax Liabilities (net)		3,223,958	3,977,725
B. Long-term Provisions	4	398,330	-
		3,622,288	3,977,725
3. Current Liabilities			
A. Short-term Borrowings	5	156,956,371	51,577,187
B. Trade Payables	6	730,556	2,452,542
C. Other Current Liabilities	7	224,408,822	197,579,149
D. Short- Term Provisions	8	13,428,617	16,287,325
		395,524,366	267,896,203
	Total	521,563,121	391,611,310
II ASSETS			
1. Non- Current Assets			
A. Fixed Assets	9		
(i) Tangible Assets		27,906,336	23,303,107
(ii) Intangible Assets		4,524,267	7,167,122
B. Non- Current Investments	10	57,535,559	39,058,163
C. Long- Term Loans And Advances	11	16,787,360	16,051,340
D. Other Non- Current Assets	12	176,362	-
		106,929,884	85,579,732
2. Current assets			
A. Inventories	13	10,518,441	14,289,490
B. Trade Receivables	14	361,079,565	228,289,676
C. Cash and Bank Balances	15	25,217,636	42,644,956
D. Short-term Loans and Advances	16	17,259,097	19,487,425
E. Other Current Assets	17	558,498	1,320,031
		414,633,237	306,031,578
	Total	521,563,121	391,611,310
Significant accounting policies	1		
Other Notes to Financial Statements	24		
Notes Referred to above form an integral part of the Financial Statement.			

As per our report of even date
FOR R.S. BANSAL & COMPANY
Chartered Accountants
FRN : 000939C

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

VIJAY BANSAL
Partner
Membership No: 075344

Sunil Nyati
Managing Director **Anita Nyati**
Whole Time Director

Place: Indore
Date: 28.05.2012

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.12

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
I. Revenue from operations	18	128,509,721	223,574,027
II. Other income	19	5,515,232	24,370,113
III. Total Revenue		134,024,953	247,944,140
IV. Expenses:			
Purchases of Shares and Securities		12,335,769	91,093,211
Decrease in inventories of Shares and Securities		3,771,049	875,039
Employee benefits expense	20	29,541,015	39,541,126
Finance costs	21	12,196,029	6,155,293
Depreciation and amortization expense		8,280,689	7,195,390
Other expenses	22	59,139,139	80,860,095
Total Expenses		125,263,690	225,720,154
V. Profit before exceptional and extraordinary items and tax (III-IV)		8,761,263	22,223,986
VI. Exceptional Items	23	229,380	451,275
VII. Profit before extraordinary items and tax		8,990,643	22,675,261
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		8,990,643	22,675,261
X. Tax expense:			
(1) Current tax		3,625,488	6,778,113
(2) Deferred tax		-753,767	-487,657
XI. Profit for the period (IX-X)		6,118,922	16,384,805
XII. Earnings per equity share:			
(1) Basic		2.07	5.54
(2) Diluted		2.07	5.54
Significant accounting policies	1		
Other Notes to Financial Statements	24		
Notes Referred to above form an integral part of the Financial Statement.			

As per our report of even date
FOR R.S. BANSAL & COMPANY
Chartered Accountants
FRN : 000939C

VIJAY BANSAL
Partner
Membership No: 075344

Place: Indore
Date: 28.05.2012

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

Sunil Nyati **Anita Nyati**
Managing Director Whole Time Director

CASH FLOW STATEMENT

PARTICULARS	For the year ended 31.03.12 ₹	For the year ended 31.03.11 ₹
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	8,990,643	22,675,261
Adjustments for :		
Extraordinary Items		
Loss by Theft	-	15,020
Excess Income Tax Provision Written Back	(149,380)	(252,513)
Excess VSAT Provision Written Back	-	(210,000)
Net Profit before Tax and Extra Ordinary items	8,841,263	22,227,768
Adjustments to reconcile Net Profit before Tax to cash provided by Operating activities		
Depreciation	8,280,689	7,195,390
(Profit) / Loss on sale of Investments	(36,853)	(4,998,146)
(Profit) / Loss on sale of Fixed Assets	(80,000)	11,238
Dividend Income	(638,491)	(514,492)
Interest Income	(4,477,561)	(3,864,687)
Interest Expenses	11,804,248	5,601,029
Miscellaneous Expenses Written Off	-	21,000
Operating profit before Working Capital Changes	23,693,295	25,679,100
Adjustments For :		
Short-term Borrowings	105,379,184	30,615,922
Trade Payables	(1,721,985)	(5,006,925)
Other Current Liabilities	26,771,131	23,012,839
Short-term Provisions	305,386	995,529
Long-term Provisions	398,330	-
Inventories	3,771,049	875,039
Trade Receivables	(132,789,889)	(29,558,260)
Short-term Loans And Advances	(996,320)	(8,931,420)
Other Current Assets	761,533	2,968,529
Non Current Assets	(176,362)	-
Cash Generated from Operations	25,395,352	40,650,353
Direct Taxes Paid	(3,404,085)	(9,154,834)
Cash Flow Before Extra-Ordinary Items	21,991,267	31,495,520
Net Cash Flow from Operating Activities	(A) 21,991,267	31,495,520
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(10,241,063)	(7,800,355)
Sale of Fixed Assets	80,000	131,593
Purchase of Investments (Shares and Securities)	(19,817,462)	(27,473,718)
Fixed Deposit	17,625,000	(1,000,000)
Sales of Investments	1,376,918	10,603,269
Purchase of Investments (Mutual Funds)	-	-
Sale of Investments (Mutual Funds)	-	-
Loans and Advances	(736,020)	(1,124,545)
Dividend Received	638,491	514,492
Interest Received	4,477,561	3,864,687
Net Cash Flow from Investing Activities	(B) (6,596,575)	(22,284,577)

PARTICULARS	For the year ended 31.03.12 ₹	For the year ended 31.03.11 ₹
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(11,804,248)	(5,601,029)
Dividend & Dividend Tax Paid	(3,392,764)	(3,454,472)
Net Cash Flow from Financing Activities (C)	15,197,012	(9,005,501)
Net Increase in Cash & Cash Equivalents (A+B+C)	197,680	155,442
Cash & Cash Equivalents (Opening)	5,019,956	4,864,514
Cash & Cash Equivalents (Closing)	5,217,636	5,019,956
NOTE : Previous year figures have been regrouped / rearranged wherever necessary.		

As per our report of even date
FOR R.S. BANSAL & COMPANY
Chartered Accountants
FRN : 000939C

Vijay Bansal
(Partner)
Membership No: 075344

Place : Indore
Date : 28.05.2012

For and on behalf of the Board of Directors

Sunil Nyati
Managing Director

Anita Nyati
Whole Time Director

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

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.

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.

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.

4. REVENUE RECOGNITION

- i) 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.
- ii) Income from Sale of Shares and Securities is recognized on the date of billing of the relevant transactions.
- iii) Income from Depository operations is accounted on accrual basis.
- iv) 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:
 - a) 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.
 - b) 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.

v) 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.

vi) Income from Delay Pay in Charges and Interest is recognized on a time proportion basis.

vii) Dividend income is recognized only when the right to receive is established.

viii) Advisory fees and other income are accounted on accrual basis, net of service tax.

5. FIXED ASSETS AND DEPRECIATION

- i) Fixed Assets are stated at cost of acquisition including incidental expenses related to such acquisition and installation less accumulated depreciation.
- ii) 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.
- iii) 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.
- iv) 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.

6. INVESTMENTS

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

7. STOCK-IN-TRADE

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

8. TAXES ON INCOME

- i) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on expected outcome of assessment/appeals.
- ii) Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period.
- iii) 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.

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 Profit and Loss Account.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
NOTE 2: SHARE CAPITAL			
A) Authorised, Subscribed & Paid-Up			
5,000,000 Equity Shares of ₹ 10 each (Previous Year 5,000,000 Equity Shares of ₹ 10 each)		50,000,000	50,000,000
Issued :			
2,959,700 Equity Shares of ₹ 10 each (Previous Year 2,959,700 Equity Shares of ₹ 10 each)		29,597,000	29,597,000
Subscribed & Paid-Up:			
2,959,700 Equity Shares of ₹ 10 each fully paid (Previous Year 2,959,700 Equity Shares of ₹ 10 each)		29,597,000	29,597,000
Add : Share Forfeiture		228,500	228,500
Total		29,825,500	29,825,500

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 Share		Equity Share	
	As at 31 March 2012		As at 31 March 2011	
	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 2012		As at 31 March 2011	
	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

A) General Reserve

Opening Balance	81,941,419	69,441,419
(+) Current Year Transfer	5,000,000	12,500,000
Closing Balance(A)	86,941,419	81,941,419

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
B) Surplus of Statement of Profit and Loss			
Opening balance		7,970,463	7,536,964
(+) Net Profit for the current year		6,118,922	16,384,805
		14,089,385	23,921,769
Less: Appropriations during the year:			
Proposed Dividends		2,959,700	2,959,700
Dividend Distribution Tax		480,137	491,606
Transfer to General Reserves		5,000,000	12,500,000
Closing Balance(B)		5,649,548	7,970,463
Grand Total (A+B)		92,590,967	89,911,882
NOTE 4 : LONG TERM PROVISIONS			
Provision for Employee Benefits			
Gratuity		398,330	-
Total		398,330	-
NOTE 5: SHORT TERM BORROWINGS			
<u>Secured</u>			
Loans repayable on demand			
From Banks			
i) ICICI Bank		80,123,032	15,578,252
ii) HDFC Bank Ltd.		2,759,992	12,989
(Secured By Pledge of Own Shares and Shares held in Clients' beneficiary account and Pledge of Company's FDRs)			
From Other Parties			
Investmarts Financial Services Limited		38,690,855	144,438
(Secured By Pledge of Own Shares and Shares held in Clients' beneficiary account)			
		121,573,879	15,735,679
<u>Unsecured</u>			
a) Deposits			
		35,382,492	35,841,508
Total		156,956,371	51,577,187
NOTE 6: TRADE PAYABLES			
Creditors for Expenses		730,556	2,452,542
Total		730,556	2,452,542

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
NOTE 7: OTHER CURRENT LIABILITIES			
A) Unpaid dividends			
FY 04-05		150,914	150,914
FY 05-06		137,820	137,820
FY 06-07		179,851	179,851
FY 07-08		151,369	151,369
FY 08-09		98,856	98,856
FY 09-10		70,099	71,499
FY 10-11		59,942	-
B) Other Payables			
Credit Balances of Clients		223,559,971	196,788,840
	Total	224,408,822	197,579,149
NOTE 8: SHORT TERM PROVISIONS			
A) Provision for Employee Benefits			
Salary and Reimbursements		1,091,210	1,772,925
Contribution to PF		16,197	14,982
Gratuity (Funded)		-	16,573
		1,107,407	1,804,480
B) Others			
Income Tax		3,625,488	6,778,113
Dividend Payable		2,959,700	2,959,700
Dividend Tax Payable		480,137	491,606
Wealth Tax Payable		30,136	-
Income Tax on Assessment Payable (AY 08-09 and AY 09-10)		394,000	-
Demat Charges payable		-	65,175
Printing and Stationary Expenses Payable		3,322	36,715
Software Maintenance Expenses		-	98,201
Interest Payable		432,992	241,647
Advertisement		14,371	77,033
Auditors Remuneration		157,500	157,500
Contribution to IPF		1,051	521
Electricity Expenses		149,928	177,886
General Expenses		39,799	121,279
Professional Expenses		-	123,233
Telephone Expenses		180,236	220,444
V SAT Expenses		49,000	24,000
Professional Tax		22,148	22,802
TDS		1,364,350	1,445,993
Expenses payable to Exchange		2,417,052	1,440,997
		12,321,210	14,482,845
	Total	13,428,617	16,287,325

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**NOTE 9: FIXED ASSETS**

(In ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK	
	AS AT 01.04.2011	ADDITION	DEDUCTION	AS AT 31.03.2012	UPTO 01.04.2011	FOR THE PERIOD UPTO MARCH-2012	WRITEN BACK	UPTO 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
A.Intangible Assets										
CAR	3,537,576	4,964,598	-	8,502,174	1,129,893	538,308	-	1,668,201	6,833,973	2,407,683
COMPUTER	18,246,382	1,656,095	2,550,215	17,352,262	12,928,933	3,091,422	2,550,215	13,470,140	3,882,122	5,317,449
FURNITURE	10,520,084	1,510,914	-	12,030,998	2,527,681	726,027	-	3,253,708	8,777,290	7,992,403
SCOOTER	239,816	-	-	239,816	154,322	22,783	-	177,105	62,711	85,494
AIR CONDITIONER	1,244,891	42,246	-	1,287,137	365,509	60,621	-	426,130	861,007	879,382
OFFICE EQUIPMENT	6,897,598	1,511,766	-	8,409,364	1,174,202	484,469	-	1,658,671	6,750,693	5,723,396
V-SAT	1,587,603	-	-	1,587,603	690,303	158,760	-	849,063	738,540	897,300
TOTAL - A	42,273,950	9,685,619	2,550,215	49,409,354	18,970,843	5,082,390	2,550,215	21,503,018	27,906,336	23,303,107
B.Intangible Assets										
INTANGIBLE ASSET	17,057,526	555,444	-	17,612,970	14,440,405	2,873,299	-	17,313,704	299,266	2,617,121
BSE CARD	6,500,001	-	-	6,500,001	1,950,000	325,000	-	2,275,000	4,225,001	4,550,001
TOTAL - B	23,557,527	555,444	-	24,112,971	16,390,405	3,198,299	-	19,588,704	4,524,267	7,167,122
GRAND TOTAL	65,831,477	10,241,063	2,550,215	73,522,325	35,361,248	8,280,689	2,550,215	41,091,722	32,430,603	30,470,229
PREVIOUS YEAR	58,293,757	7,800,355	262,635	65,831,477	28,282,035	7,195,390	116,177	35,361,248	30,470,229	30,011,722

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 in ₹	
				As at 31 March 2012	As at 31 March 2011			As at 31 March 2012	As at 31 March 2011
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(10)	(11)
a)	Investement in Equity Instruments								
	Bombay Stock Exchange Ltd.	1	Others	558,74	55,874	Unquoted	Fully Paid	4,298	4,298
	Swastika Commodities Pvt.Ltd.	10	Subsidiary	199,400	99,400	Unquoted	Fully Paid	1,98,1000	4,98,1000
	Swastika Finmart Private Limited	10	Subsidiary	2,109,800	2,109,800	Unquoted	Fully Paid	2,109,8000	2,109,8000
	Swastika Insurance Services Limited	10	Subsidiary	49,400	49,400	Unquoted	Fully Paid	4,94,000	4,94,000
							Total (A)	36,577,298	26,577,298

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 in ₹	
				As at 31 March 2012	As at 31 March 2011			As at 31 March 2012	As at 31 March 2011
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(10)	(11)
a)	Investement in Equity Instruments								
	Rajratan Gustav Wolf Ltd.	10	OTHERS	28,000	25,000	Quoted	Fully Paid	6,31,7779	5,882,302
	Shricon Industries Ltd.	10	OTHERS	49,850	49,850	Quoted	Fully Paid	2,742,469	2,742,469

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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 in ₹	
				As at 31 March 2012	As at 31 March 2011			As at 31 March 2012	As at 31 March 2011
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(10)	(11)
	Biocon Ltd.	5	OTHERS	1,100	1,500	Quoted	Fully Paid	3,96,744	4,69,310
	Decolight Ceramics Ltd.	10	OTHERS	10,000	10,000	Quoted	Fully Paid	2,33,504	2,33,504
	Gujrat NRE Coke Ltd.	10	OTHERS	5,800	5,800	Quoted	Fully Paid	2,45,163	2,45,163
	Kriti Industries India Ltd. (refer note 3 below)	1	OTHERS	39,000	48,750	Quoted	Fully Paid	2,70,319	5,40,638
	Kriti Nutrients Ltd. (refer note 3 below)	1	OTHERS	39,000	-	Quoted	Fully Paid	2,70,319	-
	Lakshmi machine Works Ltd.	10	OTHERS	104	104	Quoted	Fully Paid	1,73,550	1,73,550
	Reliance Communications Ltd.	5	OTHERS	3,000	3,000	Quoted	Fully Paid	1,248,247	1,248,247
	State Trading Corporation of India Ltd	10	OTHERS	400	400	Quoted	Fully Paid	65,842	65,842
	Wire and Wireless India Ltd.	1	OTHERS	24,913	24,913	Quoted	Fully Paid	3,79,840	3,79,840
	3IInfotech Ltd.	10	OTHERS	25,000	-	Quoted	Fully Paid	1,214,137	-
	NHPC Ltd.	10	OTHERS	2,03,565	-	Quoted	Fully Paid	5,089,156	-
	Hindustan Construction Company Ltd.	1	OTHERS	50,000	-	Quoted	Fully Paid	1,811,192	-
b)	Investments in Mutual Funds								
	Axis Equity Fund							5,00,000	5,00,000
							Total(B)	20,958,261	12,480,865
						Grand Total	(A+B)	57,535,559	39,058,163

- Notes: 1) All Investments have been stated at Cost.
2) Aggregate Market Value of Quoted Investment is ₹ 16,907,849/- (Previous Year ₹ 9,947,067/-)
3) Kriti Industries (India) Ltd.(KIL) has demerged its one of the division as Kriti Nutrients Ltd.(KNL). For every 10 shares held in KIL, Company has received 8 shares of KIL and 8 shares of KNL. Accordingly, the cost has been apportioned equally.

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
NOTE 11: LONG TERM LOANS AND ADVANCES			
Unsecured, Considered Good			
Security Deposits		15,675,000	15,675,000
		15,675,000	15,675,000
Other Loans and Advances			
Staff Loan		694,640	-
Gems Equities and Securities Pvt. Ltd.		417,720	354,000
Swastika Car Fashion		-	22,340
		1,112,360	376,340
Total		16,787,360	16,051,340
NOTE 12: OTHER NON CURRENT ASSETS			
Advance to Market Place Technologies Pvt. Ltd(for Intangible Asset)		176,362	-
Total		176,362	-
NOTE 13: INVENTORIES			
Stock-in-trade (Shares and Securities)		10,518,441	14,289,490
Total		10,518,441	14,289,490

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
NOTE 14: TRADE RECEIVABLES			
Unsecured, Considered Good:			
i) Outstanding for a period exceeding six months		14,943,642	14,976,402
ii) Others		346,135,923	213,313,274
Total		361,079,565	228,289,676
NOTE 15: CASH AND BANK BALANCES			
A) Cash and Cash Equivalents:			
i) Balances with Banks in Current Accounts		3,636,013	4,048,370
ii) Cash on Hand		732,565	181,070
B) Other Bank Balances			
Unpaid Dividend Accounts (Earmarked Balances)		849,058	790,516
Fixed Deposits (having Maturity more than 3 months but less than 12 months)		20,000,000	37,625,000
FDRs include ₹ 15,000,000 held by ICICI Bank Ltd. as Cash Margin against the Bank Guarantee and ₹ 5,000,000 held by Globe Capital Market Limited (F & O Clearing Member).			
Total		25,217,636	42,644,956
NOTE 16: SHORT TERM LOANS AND ADVANCES			
Unsecured, Considered Good:			
Advance to Staff		2,303,213	2,426,295
S K Nyati		490,321	749,836
Ram Kishan Verma		132,049	-
Rent Deposits		3,406,171	2,665,171
Telephone Deposits		76,414	74,124
V-SAT Deposits		800,003	800,003
Electricity Deposits		76,457	76,457
HCL Comnet Ltd.		100,000	100,000
Lease Line Deposit		15,000	15,000
Legal Deposit		10,000	-
Shyam Internet Services(Internet Deposit)		8,334	8,334
Advance Income Tax		2,500,000	6,099,904
Income Tax Refund due		3,152,690	2,798,005
TDS Receivable		904,085	883,514
Service Tax Credit		292,262	424,352
BSE (Against TDS)		167,394	25,772
NSE (Against TDS)		696,204	662,926
Prepaid Expenses		1,428,500	1,677,732
Deposit Against Securities Appealate Tribunal		700,000	-
Total		17,259,097	19,487,425

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
NOTE 17 : OTHER CURRENT ASSETS			
Accrued Income		314,564	926,089
Adhesive Stamps		202,264	18,940
PMS Registration Charges		41,670	375,002
	Total	558,498	1,320,031
NOTE 18: REVENUE FROM OPERATIONS			
A) Brokerage Realised		77,621,068	102,375,804
B) Sales of Shares and Securities		13,239,523	88,849,306
C) Other Operating Revenue (from Share Broking Business):			
i) Turnover Charges		8,292,006	12,010,474
ii) Auction Charges		132,342	260,024
iii) Demat and Depository Charges		3,508,755	5,096,310
iv) Delay in Pay in Charges		25,017,714	14,290,669
v) Advisory Charges		133,824	145,532
vi) Contract Handling Charges		211,645	264,223
vii) Client Registration Charges		352,844	281,685
		37,649,130	32,348,917
	Total	128,509,721	223,574,027
NOTE 19: OTHER INCOME			
A) Interest Income		4,477,561	3,864,687
B) Dividend Income		638,491	514,492
C) Other Operational Income		-	14,500,000
D) Net Gain on Sale of Investment		36,853	4,998,146
E) Other Non Operating Income			
i) Internet ID Connectivity		120,815	143,750
ii) Other Income		241,512	349,038
	Total	5,515,232	24,370,113
NOTE 20: EMPLOYEE BENEFIT EXPENSES			
A) Salaries and Incentives		24,013,418	34,194,031
B) Payment to Directors:			
i) Remuneration		4,500,000	4,525,000
ii) Contribution to Provident Fund		18,720	18,720
C) Contributions to -			
i) Provident Fund		58,500	64,740
ii) Gratuity fund contributions (Premium to LIC)		16,458	16,573
iii) Provision for Gratuity (As per AS 15)		398,330	-
D) Staff welfare expenses		535,589	722,062
	Total	29,541,015	39,541,126

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at	As at
		31.03.12	31.03.11
		₹	₹
NOTE 21: FINANCE COST			
Interest Expense		11,804,248	5,601,029
Bank Charges		391,781	554,264
	Total	12,196,029	6,155,293
NOTE 22: OTHER EXPENSES			
Advertisement Expenses		241,955	604,258
Auditor's Remuneration		175,000	206,190
Balances Written Off		92,940	230,040
Business Promotion		342,136	485,245
Commission (Others)		30,500	113,375
Conveyance Expenses		110,897	170,239
Demat Charges		126,480	1,908,303
Depository Expenses		1,138,471	1,112,538
Client Servicing and Branch management expenses		14,062,060	33,063,638
Commission		19,488,713	14,978,688
Diwali Expenses		317,496	155,623
Income Tax on Assessment		394,000	-
Insurance		322,468	425,183
Legal and Professional Fees		1,374,197	2,503,418
Loss on F & O Trading		4,299,090	1,869,359
Membership Fees and Subscription		165,300	182,506
Miscellaneous Expense		218,497	240,063
Office Maintenance		1,089,441	1,652,314
Penalty		409,959	132,348
Printing and Stationary		370,987	1,036,568
Rates and Taxes		49,599	196,175
Registration Fee		338,332	592,622
Rent		5,711,504	6,995,519
Repairs, Maintenance and Software Maintenance		2,871,087	2,543,882
SEBI Fees		364,118	304,905
SMS Charges		88,760	116,069
Telephone and Internet Charges		2,298,447	4,714,978
Travelling Expenses (Directors)		319,435	515,900
Travelling Expenses (Others)		189,732	707,773
V-SAT Expenses		418,455	884,634
Water and Electricity Expenses		1,688,947	2,217,742
Wealth Tax		30,136	-
	Total	59,139,139	80,860,095
NOTE 23: EXCEPTIONAL ITEMS			
A) Excess Provision Written Back			
i) Income Tax		149,380	252,513
ii) Others (V-SAT)		-	210,000
B) Profit /(Loss) on Sale of Fixed Assets		80,000	(11,238)
	Total	229,380	451,275

24. OTHER NOTES TO FINANCIAL STATEMENTS.

1. i) Contingent liabilities for Bank Guarantee issued in favour of NSE / BSE is ₹ 300 Lacs. (Previous year was ₹ 300 Lacs).
- ii) Demand in respect of the following matters is as follows:

(In ₹)

Income Tax	1,610,175/-
Service Tax	3,834,419/-
SEBI Penalty	700,000/-
Total	6,144,594/-

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 :

(In ₹)

Particulars	31.3.2012	31.3.2011
Statutory Audit	1,25,000/-	1,50,000/-
Tax Audit	25,000/-	25,000/-
Certification Fees	15,000/-	16,500/-
Other Services	10,000/-	14,690/-
TOTAL	1,75,000/-	2,06,190/-

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.	Key Management Personnel/individuals having control or significant influence. 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	Managing Director Whole Time Director Director Director Director Director Director Director
2.	Relatives of Key Management Personnel / Individuals having control or significant influence. a) Mr. Parth Nyati b) Mrs. Sita Nyati c) Mr. Chandmal Nyati	} Relatives of Managing Director

	d) Mr. Vandit Nyati e) Mrs. Vandana Nyati f) Mrs. Krishna Prabha Maheshwari g) Mr. Manish Maheshwari h) Mrs. Raksha Maheshwari i) Mrs. Rekha Gupta j) Mrs. Shashi Baldua k) Mrs. Manjubala Baheti	} Relatives of Director } Relatives of Director
3.	Enterprises owned/controlled by key managerial personnel or individuals having control or significant influence. a) Sunil Nyati H.U.F. b) Anil Nyati H.U.F. c) Vinod Rekha & Company d) Vinod Kumar Gupta & Sons HUF e) Tarun Kumar Baldua(HUF) f) ENAR Collections g) Drishti Multi Commodity Pvt. Ltd	H.U.F. of Managing Director H.U.F. of Non Executive Director Firm of Director HUF of Director HUF of Director Proprietorship firm of Director's Relative Company controlled by Director
4.	Subsidiary a) Swastika Commodities Pvt. Ltd. b) Swastika Insurance Services Limited c) Swastika Fin-Mart Private Limited	} Subsidiary Companies

B. Transactions with Related Parties:

(Figures in ₹)

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.	Expenditure					
	Salaries and Other benefits (including PF Contribution)	4,518,720/- (5,795,280/-)	- (-)	- (-)	- (-)	4,518,720/- (5,795,280/-)
	Office Rent	- (-)	- (-)	- (-)	3,00,000/- (2,70,000/-)	3,00,000/- (2,70,000/-)
	Professional Fees	- (-)	- (-)	- (-)	- 14,742/-	- 14,742/-
	Printing and Printing Material Expenses	- (-)	- (-)	- (-)	146,415/- (2,98,379/-)	146,415/- (2,98,379)

2.	Income Brokerage Received	39,498/- (14,766/-)	2,592/- (1,83,302/-)	- (-)	- (227/-)	42,090/- (36,866/-)
3.	Expenses Recovered	- (-)	- (-)	26,207,168/- (14,500,000/-)	- (-)	26,207,168/- (14,500,000/-)
4.	Outstanding Creditors	- (21,488/-)	- (3,23,205/-)	- (-)	- (-)	- (3,44,693/-)
	Investments	- (-)	- (-)	3,65,73,000/- (2,65,73,000/-)	- (-)	3,65,73,000/- (2,65,73,000/-)

Note: Figures in brackets represent previous year balances.

C) Related Parties are identified by the management and relied upon by the Auditors.

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 :

Sr. No.	PARTICULARS	2011-12 ₹
I	Changes in present value of obligations	
	Present Value of Obligations at beginning of the year	2,006,726
	Interest cost	160,538
	Current Service Cost	264,547
	Benefits Paid	-
	Actuarial (gain)/loss on obligations	(714,415)
	Present Value of Obligations at end of the year	1,717,396
II	Changes in fair value of plan assets	
	Fair Value of Plan Assets at beginning of the year	1,211,114
	Expected Return on Plan Assets	109,000
	Contributions	-
	Benefits Paid	-
	Actuarial gain/(loss) on plan assets	NIL
	Fair Value of Plan Assets at end of the year	1,320,114
III	Fair Value of plan assets	
	Fair Value of Plan Assets at beginning of the year	1,211,114
	Actual Return on Plan Asset	109,000
	Contributions	-
	Benefits Paid	-

Sr. No.	PARTICULARS	2011-12 ₹
	Fair Value of Plan Assets at end of the year	1,320,114
	Funded Status	(397,282)
	Excess of actual over estimated return on Plan Assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)	
IV	Actuarial Gain/(Loss) Recognized	
	Actuarial Gain/(Loss) for the year (Obligation)	714,415
	Actuarial Gain/(Loss) for the year (Plan Assets)	-
	Total Gain/(Loss) for the year	(714,415)
	Actuarial Gain/(Loss) recognized for the year	(714,415)
V	Amounts recognized in the Balance Sheet	
	Present Value of Obligations at end of the year	1,717,396
	Fair Value of Plan Assets at end of the year	1,320,114
	Funded Status	(397,282)
	Net Asset/(Liability) recognized in the balance sheet	397,282
VI	Expense recognized in Profit and Loss Account	
	Current Service Cost	264,547
	Interest cost	160,538
	Expected Return on Plan Assets	(109,000)
	Net Actuarial (Gain)/Loss recognized for the year	(714,415)
	Expense recognized in Profit and Loss Account	(398,330)
VII	Principal Assumptions	
	Discount Rate	8.00%
	Rate of increase in compensation	7.00%
	Corresponding data for the Previous Year 2010-11 as per AS-15 is not made available by the LIC (Gratuity Fund Manager).	

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. Other Operational Income of ₹ 1.45 Crores shown under the head Other Income during the Previous Year 2010-11, represents reimbursement of various expenses like advertisement, salary and rent expenses from the Subsidiary Company Swastika Commodities Private Ltd. In the current year, such expenses has been allocated and accounted for in respective expenses head on proportionate basis and the payment from Subsidiary Company has been received against the same

9. Earnings per Share (as per Accounting Standard - 20)	2011-12	2010-11
Earnings per share have been computed as under:		
Profit attributable to equity shareholders (A) (₹)	6,118,922/-	1, 63, 84,805/-
Average number of equity shares outstanding (B)	2959700	2959700
Basic / Diluted Earnings Per Share (A/B) (₹)	2.07	5.54

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

(In ₹)

Description	Deferred Tax Liability/ (Assets) As at 1.4.2011	Current year Charge Liability/ (Assets)	Deferred Tax Liability / (Assets) As at 31.3.2012
Depreciation Differences	3,977,725	(753,767)	3,223,958
Total	3,977,725	(753,767)	3,223,958

11. 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.

12. Previous year figures have been reclassified wherever necessary to confirm to the Classification for the year.

As per our report of even date
FOR R.S. BANSAL & COMPANY
Chartered Accountants
FRN : 000939C

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

VIJAY BANSAL
 Partner
Membership No: 075344

Sunil Nyati **Anita Nyati**
 Managing Director Whole Time Director

Place: Indore
Date: 28.05.2012

Statement Pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Company for the Financial Year 2011-2012

Particulars	Swastika Commodities Private Limited	Swastika Insurance Services Limited	Swastika Fin-Mart Private Limited
1. Financial year of the subsidiary company ended on	31 March, 2012	31 March, 2012	31 March, 2012
2. Date from which it became subsidiary	9th Oct.,2006	11th May 2009	31st Dec. 2009
3. No. of Shares held by Swastika Investmart Ltd. in the capital of subsidiary	1,99,400 Equity Shares of ₹10 each	49,400 Equity Shares of ₹10 each	21,09,800 Equity Shares of ₹10 each
4. Net Aggregate amount of Profit/ (Losses) of the subsidiary so far as it concerns the members of Swastika Investmart Ltd and is not dealt with accounts of Swastika Investmart Ltd.			
a) For the Financial Year ended 31st March 2012	₹ 17,68,419 /-	₹ (25,200/-)	₹ 11,58,518/-
b) For the previous Financial Years ended 31st March 2011, since it became Subsidiary of Swastika Investmart Ltd.	₹ 19,43,152 /-	₹ (27,293/-)	₹ 7,01,954/-
5. Net Aggregate amount of Profit/ (Losses) of the subsidiary so far as dealt with in the accounts of Swastika Investmart Ltd.			
a) For the Financial Year ended 31st March 2012,	Nil	Nil	Nil
b) For the previous Financial Years ended 31st March 2011, since it became Subsidiary of Swastika Investmart Ltd.	Nil	Nil	Nil

Place : Indore
Date : 28.05.2012

For R.S. Bansal & Company
Chartered Accountants

Vijay Bansal
(Partner)
Membership No.: 075344

AUDITOR'S REPORT

TO,
THE BOARD OF DIRECTORS,
SWASTIKA INVESTMART LTD.

We have audited the attached Consolidated Balance Sheet of **SWASTIKA INVESTMART LIMITED** and its subsidiaries Swastika Commodities Private Limited, Swastika Insurance Services Limited & Swastika Fin-Mart Private Limited as at **31st March 2012** and also, the consolidated Statement of Profit and Loss Account and the Consolidated Cash Flow Statement for the period ended on that date, annexed thereto. These financial statements are responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We did not audit the financial statements of the subsidiaries, whose financial statements reflect the total assets of ₹ 14,41,83,619, total revenue of ₹ 6,16,87,266 and cash flows amounting to ₹ 31,54,101 for the year ended as on 31st March,2012. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to us, and our opinion based solely on the report of other auditors.

We report that Consolidated Financial Statements have been prepared by the company in accordance with the requirements of Accounting Standard (AS)21, 'Consolidated Financial Statements', issued by the Institute of Chartered Accountants of India and on the basis of separate audited financial statements of Swastika Investmart Ltd. and its subsidiaries Swastika Commodities Private Limited, Swastika Insurance Services Limited & Swastika Fin-Mart Private Limited included in Consolidated Financial Statements.

In our opinion and to the best to our information and explanations given to us and based on our report on audited financial statements of Swastika Investmart Ltd. and on consideration of the other auditors in case of its subsidiaries Swastika Commodities Private Limited, Swastika Insurance Services Limited & Swastika Fin-Mart Private Limited read together with the Significant Accounting Policies and other Notes to Accounts, 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 Consolidated Statement of affairs of Swastika Investmart Ltd. and its subsidiaries Swastika Commodities Private Limited, Swastika Insurance Services Limited & Swastika Fin-Mart Private Limited as at 31st March 2012
- b) in the case of Consolidated Statement of Profit and Loss Account of the Consolidated Profit of operation of Swastika Investmart Ltd. and its subsidiaries Swastika Commodities Private Limited, Swastika Insurance Services Limited & Swastika Fin-Mart Private Limited for the year ended on that date and
- c) in the case of Cash Flow Statement, of the Cash Flows of Swastika Investmart Ltd. and its subsidiaries Swastika Commodities Private Limited, Swastika Insurance Services Limited & Swastika Fin-Mart Private Limited for the year ended on that date

For : **R.S. BANSAL & CO.**
Chartered Accountants
FRN:000939C

Place : Indore
Date : 28.05.2012

Vijay Bansal
Partner
Membership No: 075344

CONSOLIDATED BALANCE SHEET AS AT 31.03.2012

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
I EQUITY AND LIABILITIES			
1. Shareholders' Funds			
A. Share Capital	2	29,825,500	29,825,500
B. Reserve & Surplus	3	103,345,108	97,764,286
	Total	133,170,608	127,589,786
2. Non- Current Liabilities			
A. Deferred Tax Liabilities (net)		3,362,793	4,184,919
B. Long-term Provisions	4	398,330	-
		3,761,123	4,184,919
3. Current Liabilities			
A. Short-term Borrowings	5	176,043,279	99,815,304
B. Trade Payables	6	2,496,894	3,066,892
C. Other Current Liabilities	7	296,616,685	200,656,181
D. Short- Term Provisions	8	17,085,153	19,195,304
		492,242,011	322,733,681
	Total	629,173,742	454,508,386
II ASSETS			
1. Non- Current Assets			
A. Fixed Assets	9		
(i) Tangible Assets		28,827,663	24,364,305
(ii) Intangible Assets		6,581,785	9,717,940
B. Non- Current Investments	10	24,261,440	15,784,044
C. Long- Term Loans And Advances	11	20,537,360	20,551,340
D. Other Non- Current Assets	12	176,362	-
		80,384,610	70,417,629
1. Current assets			
A. Inventories	13	10,518,441	14,289,490
B. Trade Receivables	14	426,749,285	253,703,500
C. Cash and Bank Balances	15	73,504,881	87,975,779
D. Short-term Loans and Advances	16	20,217,765	22,037,363
E. Other Current Assets	17	17,798,760	6,084,625
		548,789,132	384,090,757
	Total	629,173,742	454,508,386
Significant accounting policies	1		
Other Notes to Financial Statements	24		
Notes Referred to above form an integral part of the Financial Statement.			

As per our report of even date
FOR R.S. BANSAL & COMPANY
Chartered Accountants
FRN : 000939C

VIJAY BANSAL
Partner
Membership No: 075344

Place: Indore
Date: 28.05.2012

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

Sunil Nyati **Anita Nyati**
Managing Director Whole Time Director

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2012

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
I. Revenue from operations	18	186,611,395	260,167,913
II. Other income	19	9,100,824	13,628,601
III. Total Revenue		195,712,219	273,796,514
IV. Expenses:			
Purchases of Shares and Securities		12,335,769	91,093,212
Decrease in inventories of Shares and Securities		3,771,049	875,039
Employee benefits expense	20	47,059,043	42,528,753
Finance costs	21	16,139,617	6,627,144
Depreciation and amortization expense		8,913,860	7,822,188
Other expenses	22	94,582,176	98,902,147
Total Expenses		182,801,514	247,848,483
V. Profit before exceptional and extraordinary items and tax (III-IV)		12,910,705	25,948,031
VI. Exceptional Items	23	229,789	451,275
VII. Profit before extraordinary items and tax		13,210,494	26,399,306
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII- VIII)		13,210,494	26,399,306
X. Tax expense:			
(1) Current tax		5,011,961	7,844,444
(2) Deferred tax		-822,126	-447,757
XI. Profit for the period (IX-X)		9,020,659	19,002,619
XII. Earnings per equity share:			
(1) Basic		3.05	6.42
(2) Diluted		3.05	6.42
Significant accounting policies	1		
Other Notes to Financial Statements	24		
Notes Referred to above form an integral part of the Financial Statement.			

As per our report of even date
FOR R.S. BANSAL & COMPANY
Chartered Accountants
FRN : 000939C

VIJAY BANSAL
Partner
Membership No: 075344

Place: Indore
Date: 28.05.2012

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

Sunil Nyati **Anita Nyati**
Managing Director Whole Time Director

CONSOLIDATED CASH FLOW STATEMENT

PARTICULARS	For the year ended 31.03.12 ₹	For the year ended 31.03.11 ₹
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax	13,210,494	26,399,306
Adjustments for :		
Extraordinary Items		
Loss by Theft	-	15,020
Excess Income Tax Provision Written Back	(219,789)	(252,513)
Excess VSAT Provision Written Back	-	(210,000)
Net Profit before Tax and Extra Ordinary items	12,990,705	25,951,813
Adjustments to reconcile Net Profit before Tax to cash provided by Operating activities		
Depreciation	8,913,860	7,822,188
(Profit) / Loss on sale of Investments	(36,853)	(5,317,149)
(Profit) / Loss on sale of Fixed Assets	(80,000)	11,238
Dividend Income	(653,492)	(550,992)
Interest Income	(7,925,549)	(7,059,012)
Interest Expenses	15,482,255	5,865,687
Miscellaneous Expenses Written Off	71,721	92,721
Operating Profit before Working Capital Changes	28,762,647	26,816,494
Adjustments For :		
Short-term Borrowings	76,227,973	78,653,939
Trade Payables	(569,998)	(5,201,694)
Other Current Liabilities	95,901,963	4,630,790
Short-term Provisions	748,151	2,192,871
Long-term Provisions	398,330	-
Inventories	3,771,049	875,038
Trade Receivables	(173,045,787)	(48,420,414)
Short-term Loans And Advances	(869,119)	(9,948,305)
Other Current Assets	(11,785,855)	8,299,800
Non Current Assets	(176,362)	-
Cash Generated from Operations	19,362,992	57,898,519
Direct Taxes Paid	(4,950,286)	(10,380,351)
Net Cash Flow from Investing Activities	(A) 14,412,706	47,518,168
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(10,241,063)	(7,905,871)
Sale of Fixed Assets	80,000	131,593
Purchase of Investments (Shares and Securities)	(19,817,462)	(18,706,807)
Fixed Deposit	17,625,000	(40,287,500)
Sales of Investments	1,376,918	19,856,481
Purchase of Investments (Mutual Funds)	-	-
Sale of Investments (Mutual Funds)	-	-
Loans and Advances	13,980	(1,124,545)
Dividend Received	653,492	550,992
Interest Received	7,925,549	7,059,012
Net Cash Flow from Investing Activities	(B) (2,383,586)	(40,426,645)

PARTICULARS	For the year ended 31.03.12 ₹	For the year ended 31.03.11 ₹
C CASH FLOW FROM FINANCING ACTIVITIES		
Interest Paid	(15,482,255)	(5865,687)
Issue of Share Capital	1,000,000	-
Share Premium	9,000,000	-
Unpaid allotment Money received		-
Dividend & Dividend Tax Paid	(3,392,764)	(3,454,472)
Net Cash Flow from Financing Activities (C)	(8,875,019)	(9,320,159)
Net Increase in Cash & Cash Equivalents (A+B+C)	3,154,101	(2,228,636)
Cash & Cash Equivalents (Opening)	8,750,779	10,979,415
Cash & Cash Equivalents (Closing)	11,904,881	8,750,779
NOTE: Previous year figures have been regrouped / rearranged wherever necessary.		

As per our report of even date
FOR R.S. BANSAL & COMPANY
Chartered Accountants
FRN : 000939C

Vijay Bansal
(Partner)
Membership No: 075344

Place : Indore
Date : 28.05.2012

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

Sunil Nyati
Managing Director

Anita Nyati
Whole Time Director

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

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.

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 and Loss.

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.

4. REVENUE RECOGNITION

- i) 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.
- ii) Income from Sale of Shares and Securities is recognized on the date of billing of the relevant transactions.
- iii) Income from Depository operations is accounted on accrual basis.
- iv) 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:
 - a) 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.
 - b) 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.

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

5. **FIXED ASSETS AND DEPRECIATION**

- i) Fixed Assets are stated at cost of acquisition including incidental expenses related to such acquisition and installation less accumulated depreciation.
- ii) 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.
- iii) 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.
- iv) 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.

6. **INVESTMENTS**

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

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.

8. **TAXES ON INCOME**

- i) Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on expected outcome of assessment/appeals.
- ii) 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.
- iii) 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.

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 Profit and Loss Account.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
NOTE 2: SHARE CAPITAL			
A) Authorised, Subscribed & Paid-Up			
5,000,000 Equity Shares of ₹10 each (Previous Year 5,000,000 Equity Shares of ₹ 10 each)		50,000,000	50,000,000
Issued :			
2,959,700 Equity Shares of ₹ 10 each (Previous Year 2,959,700 Equity Shares of ₹ 10 each)		29,597,000	29,597,000
Subscribed & Paid-Up:			
2,959,700 Equity Shares of ₹ 10 each fully paid (Previous Year 2,959,700 Equity Shares of ₹ 10 each)		29,597,000	29,597,000
Add : Share Forfeiture		228,500	228,500
Total		29,825,500	29,825,500

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 Share		Equity Share	
	As at 31 March 2012		As at 31 March 2011	
	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) Share Holders holding more than 5% of Shares

Name of the Shareholder	As at 31 March 2012		As at 31 March 2011	
	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**A) General Reserve**

Opening Balance	84,941,419	70,941,419
(+) Current Year Transfer	6,000,000	14,000,000
(-) Written Back in Current Year	-	-
Capital Reserve (On Consolidation)	1,683,272	2,683,272
Closing Balance(A)	92,624,691	87,624,691

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
B) Surplus of Statement of Profit and Loss			
Opening balance		10,139,595	8,588,282
(+) Net Profit for the current year		9,020,659	19,002,619
		19,160,254	27,590,901
Less: Appropriations during the year:			
Proposed Dividends		2,959,700	2,959,700
Dividend Distribution Tax		480,137	491,606
Transfer to General Reserves		5,000,000	14,000,000
Closing Balance(B)		10,720,417	10,139,595
Grand Total (A+B)		103,345,108	97,764,286
Capital Reserve			
Swastika Commodities:			
Share Premium		15,597,000	6,597,000
Profit & Loss A/C (Opening Balance)		59,272	59,272
		15,656,272	6,656,272
Less:			
Cost to Swastika Investmart Ltd. of investment in Swastika Commodities Pvt. Ltd.			
Less: Swastika Investmart's Portion of Equity		13,981,000	3,981,000
	(A)	1,675,272	2,675,272
Swastika Insurance Services Limited			
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)	(6,000)	(6,000)
Swastika Fin-Mart Private Limited			
Cost to Swastika Investmart Ltd. of investment in Swastika Fin-Mart Private Limited		21,098,000	21,098,000
Less: Swastika Investmart's Portion of Equity		21,100,000	21,100,000
	(C)	(2000)	(2000)
Capital Reserve	Total (A+B+C)	1,683,272	2,683,272
NOTE 4 : LONG TERM PROVISIONS			
A) Provision for Employee Benefits			
Gratuity		398,330	-
	Total	398,330	-
NOTE 5: SHORT TERM BORROWINGS			
Secured			
Loans Repayable on Demand			
a) From Banks			
(i) ICICI Bank		80,123,032	15,578,252

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
(ii) HDFC Bank Ltd. (Secured By Pledge of Own Shares & Shares held in Clients' beneficiary account & Pledge of Company's FDRs)		17,638,022	20,550,514
b) From Other Parties			
Investmarts Financial Services Limited (Secured By Pledge of Own Shares & Shares held in Clients' beneficiary account)		38,690,855	144,438
		136,451,909	36,273,204
Unsecured			
Deposits		39,591,370	63,542,100
		39,591,370	63,542,100
Total		176,043,279	99,815,304
NOTE 6: TRADE PAYABLES			
Creditors for Expenses		2,496,894	3,066,892
Total		2,496,894	3,066,892
NOTE 7: OTHER CURRENT LIABILITIES			
A) Unpaid dividends			
FY 04-05		150,914	150,914
FY 05-06		137,820	137,820
FY 06-07		179,851	179,851
FY 07-08		151,369	151,369
FY 08-09		98,856	98,856
FY 09-10		70,099	71,499
FY 10-11		59,942	-
B) Other Payables			
Credit Balances of Clients		295,767,834	199,865,872
Total		296,616,685	200,656,181
NOTE 8: SHORT TERM PROVISIONS			
A) Provision for Employee Benefits			
Salary and Reimbursements		1,141,375	1,986,755
Contribution to PF		16,197	14,982
Gratuity (Funded)		-	16,573
		1,157,572	2,018,310
B) Others			
Income Tax		4,997,611	7,844,443
Dividend Payable		2,959,700	2,959,700
Dividend Tax Payable		480,137	491,606
Wealth Tax Payable		30,136	-
Income Tax on Assessment Payable (AY 08-09 and AY 09-10)		394,000	-
Demat Charges payable		-	65,175

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
Printing and Stationary Expenses Payable		3,322	36,715
Software Maintenance Expenses		-	98,201
Interest Payable		432,992	241,647
Audit Fees Payable		19,350	19,350
Advertisement		14,371	77,033
Auditors Remuneration		160,500	160,500
Contribution to IPF		1,051	521
Electricity Expenses		149,928	177,886
General Expenses		40,925	159,155
Professional Expenses		-	123,233
Telephone Expenses		180,236	220,444
Turnover Charges Payable		895,797	860,086
V SAT Expenses		49,000	24,000
Professional Tax		25,150	22,802
Stamp Duty Payable		67,024	49,632
TDS		2,609,299	2,103,867
Expenses payable to Exchange		2,417,052	1,440,997
		15,927,581	17,176,994
	Total	17,085,153	19,195,304

NOTE 9: FIXED ASSETS

(In ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION/AMORTIZATION				NET BLOCK	
	AS AT 01.04.2011	ADDITION	DEDUCTION	AS AT 31.03.2012	UPTO 01.04.2011	FOR THE PERIOD UPTO MARCH-2012	WRITTEN BACK	UPTO 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
A. Intangible Assets										
CAR	3,537,576	4,964,598	-	8,502,174	1,129,893	538,308	-	1,668,201	6,833,973	2,407,683
COMPUTER	18246382	1,656,095	2,550,215	17,352,262	12,928,933	3,091,422	2,550,215	13,470,140	3,882,122	5,317,449
FURNITURE	10,520,084	1,510,914	-	12,030,998	2,527,681	726,027	-	3,253,708	8,777,290	7,992,403
SCOOTER	239,816	-	-	239,816	154,322	22,783	-	177,105	62,711	85,494
AIR CONDITIONER	1,244,891	42,246	-	1,287,137	365,509	60,621	-	426,130	861,007	879,382
OFFICE EQUIPMENT	6,897,598	1,511,766	-	8,409,364	1,174,202	484,469	-	1,658,671	6,750,693	5,723,396
V-SAT	2,986,312	-	-	2,986,312	1,027,814	298,631	-	1,326,445	1,659,867	1,958,498
TOTAL - A	43,672,659	9,685,619	2,550,215	50,808,063	19,308,354	5,222,261	2,550,215	21,980,400	28,827,663	24,364,305
B. Intangible Assets										
INTANGIBLE ASSET	19,638,030	555,444	-	20,193,474	15,634,675	3,291,599	-	18926274	1,267,200	4,003,355
BSE CARD	6,500,001	-	-	6,500,001	1,950,000	325,000	-	2275000	4,225,001	4,550,001
MEMBERSHIP NCDEX	500,000	-	-	500,000	139,583	25,000	-	164583	335,417	360,417
MEMBERSHIP MCX	1,000,000	-	-	1,000,000	195,833	50,000	-	245833	754,167	804,167
TOTAL - B	27,638,031	555,444	-	28,193,475	17,920,091	3,691,599	-	21611690	6,581,785	9,717,940
GRAND TOTAL	71,310,690	10,241,063	2,550,215	79,001,538	37,228,445	8,913,860	2,550,215	43592090	35,409,448	34,082,245
Previous Year	63,667,454	7,905,871	262,635	71,310,690	29,522,434	7,822,188	116,177	37228445	34,082,245	34,145,020

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**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 In ₹	
				As at 31 March 2012	As at 31 March 2011			As at 31 March 2012	As at 31 March 2011
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(10)	(11)
a)	Investment in Equity Instruments Bombay Stock Exchange Ltd.	1	OTHERS	558,74	55,874	Unquoted	Fully Paid	4,298	4,298
							Total (A)	4,298	4,298

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 In ₹	
				As at 31 March 2012	As at 31 March 2011			As at 31 March 2012	As at 31 March 2011
(1)	(2)		(3)	(4)	(5)	(6)	(7)	(10)	(11)
a)	Investment in Equity Instruments								
	Rajratan Gustav Wolf Ltd.	10	OTHERS	28,000	25,000	Quoted	Fully Paid	6,31,7779	5,882,302
	Shricon Industries Ltd.	10	OTHERS	49,850	49,850	Quoted	Fully Paid	2,742,469	2,742,469
	Biocon Ltd.	5	OTHERS	1,100	1,500	Quoted	Fully Paid	3,96,744	4,69,310
	Decolight Ceramics Ltd.	10	OTHERS	10,000	10,000	Quoted	Fully Paid	2,33,504	2,33,504
	Gujrat NRE Coke Ltd.	10	OTHERS	15,800	15,800	Quoted	Fully Paid	8,35,459	8,35,459
	Kriti Industries India Ltd.	1	OTHERS	39,000	48,750	Quoted	Fully Paid	2,70,319	5,40,638
	Kriti Nutrients Ltd.	1	OTHERS	39,000	-	Quoted	Fully Paid	2,70,319	-
	Lakshmi Machine Works Ltd.	10	OTHERS	104	104	Quoted	Fully Paid	1,73,550	1,73,550
	Reliance Communications Ltd.	5	OTHERS	3,000	3,000	Quoted	Fully Paid	1,248,247	1,248,247
	State Trading Corporation of India Ltd	10	OTHERS	400	400	Quoted	Fully Paid	65,842	65,842
	3IInfotech Ltd.	10	OTHERS	35,000	35,000	Quoted	Fully Paid	1,844,988	1,844,988
	Reliance Power Ltd.	10	OTHERS	5,000	5,000	Quoted	Fully Paid	917,235	917,235
	Tata Tele Maharastra Ltd.	10	OTHERS	50,000	50,000	Quoted	Fully Paid	1,160,499	1,160,490
	Wire and Wireless India Ltd.	1	OTHERS	24,913	24,913	Quoted	Fully Paid	379,840	379,840
	NHPC Ltd.	10	OTHERS	203,565	-	Quoted	Fully Paid	5,089,156	-
	Hindustan Construction Company Ltd.	1	OTHERS	50,000	-	Quoted	Fully Paid	1,811,192	-
b)	Investments in Mutual Funds Axis Equity Fund							5,00,000	5,00,000
							Total(B)	24,257,142	15,779,746
							Grand Total	24,261,440	15,784,044

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

2) Aggregate Market Value of Quoted Investment is ₹ 18,603,349/-, (Previous Year ₹ 12,386,567/-)

3) RNRL was merged with RPL and for every four shares held of RNRL, one share of RPL was allotted.

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
NOTE 11: LONG TERM LOANS AND ADVANCES			
Unsecured, Considered Good			
Security Deposits		19,425,000	20,175,000
		19,425,000	20,175,000

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
Other Loans and Advances			
Staff Loan		694,640	-
Gems Equities and Securities Pvt. Ltd.		417,720	354,000
Swastika Car Fashion		-	22,340
		1,112,360	376,340
	Total	20,537,360	20,551,340
NOTE 12: OTHER NON CURRENT ASSETS			
Advance to Market Place Technologies Pvt. Ltd.(for Intangible Asset)		176,362	-
	Total	176,362	-
NOTE 13: INVENTORIES			
Stock-in-trade (Shares and Securities)		10,518,441	14,289,490
	Total	10,518,441	14,289,490
Note : Stock-in-trade is valued at lower of the cost or market value.			
NOTE 14: TRADE RECEIVABLES			
Unsecured, Considered Good:			
(i) Outstanding for a period exceeding six months		63,188,213	17,142,392
(ii) Others		363,561,072	236,561,108
	Total	426,749,285	253,703,500
NOTE 15: CASH AND BANK BALANCES			
A) Cash and Cash Equivalents:			
(i) Balances with Banks in Current Accounts		10,202,345	7,405,307
(ii) Cash on Hand		853,478	554,956
B) Other Bank Balances			
Unpaid Dividend Accounts (Earmarked Balances)		849,058	790,516
Fixed Deposits (having Maturity more than 3 months but less than 12 months)		61,600,000	79,225,000
FDRs include ₹ 15,000,000 held by ICICI Bank Ltd. as Cash Margin against the Bank Guarantee and ₹ 5,000,000 held by Globe Capital Market Limited (F & O Clearing Member).			
	Total	73,504,881	87,975,779
NOTE 16: SHORT TERM LOANS AND ADVANCES			
Unsecured, Considered Good:			
Advance to Staff		2,303,213	2,436,296
S K Nyati		490,321	749,836
The New India Assurance Company Ltd.		1,472	-
Vinamra Enterprises		-	575,137
Ram Kishan Verma		132,049	-
Rent Deposits		3,406,171	2,665,171
Telephone Deposits		81,414	79,124
V-SAT Deposits		800,003	800,003
Electricity Deposits		76,457	76,457
HCL Comnet Ltd.		100,000	100,000

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
Lease Line Deposit		15,000	15,000
Legal Deposit		10,000	-
Shyam Internet Services(Internet Deposit)		8,334	8,334
Advance Income Tax		3,700,000	6,799,904
Income Tax Refund due		3,382,280	3,056,518
TDS Receivable		1,289,268	1,203,840
Service Tax Credit		370,495	461,280
BSE (Against TDS)		167,394	25,772
NSE (Against TDS)		696,204	662,926
MCX (Against TDS)		812,671	484,494
NCDEX (Against TDS)		132,020	71,140
Prepaid Expenses		1,542,999	1,766,131
Deposit Against Securities Appeallate Tribunal		700,000	-
Total		20,217,765	22,037,363
NOTE 17 : OTHER CURRENT ASSETS			
Accrued Income		1,416,594	1,353,799
Adhesive Stamps		202,264	18,940
PMS Registration Charges		41,670	375,002
Miscellaneous Expenditure Not Written Off		215,163	286,884
Margin A/c		15,923,069	4,050,000
Total		17,798,760	6,084,625
NOTE 18: REVENUE FROM OPERATIONS			
A) Brokerage Realised		129,423,177	135,805,372
B) Sales of Shares and Securities		13,239,523	88,849,306
C) Other Operating Revenue (From Share Broking Business):			
i) Turnover Charges		13,681,496	14,886,330
ii) Auction Charges		132,342	260,024
iii) Demat and Depository Charges		3,508,755	5,096,310
iv) Delay in Pay in Charges		25,563,290	14,560,992
v) Advisory Charges		133,825	145,532
vi) Contract Handling Charges		211,645	264,223
vii) Client Registration Charges		717,342	299,824
		43,948,695	35,513,235
Total		186,611,395	260,167,913
NOTE 19: OTHER INCOME			
A) Interest Income		7,925,549	7,059,012
B) Dividend Income		653,492	550,992
C) Net Gain on Sale of Investment		36,853	5,317,149
D) Other Operating Income			
(i) Internet ID Connectivity		177,815	336,650
(ii) Other Income		307,115	364,798
Total		9,100,824	13,628,601

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
NOTE 20: EMPLOYEE BENEFIT EXPENSES			
A) Salaries and Incentives		39,724,336	35,931,658
B) Payment to Directors:			
(i) Remuneration		6,000,000	5,775,000
(ii) Contribution to Provident Fund		18,720	18,720
C) Contributions to -			
(i) Provident Fund		58,500	64,740
(ii) Gratuity fund contributions (Premium to LIC)		16,458	16,573
(iii) Provision for Gratuity (As per AS 15)		398,330	-
D) Staff welfare expenses		842,699	722,062
Total		47,059,043	42,528,753
NOTE 21: FINANCE COST			
Interest Expense		15,482,255	5,865,687
Bank Charges		657,362	761,457
Total		16,139,617	6,627,144
NOTE 22: OTHER EXPENSES			
Advertisement Expenses		394,123	604,258
Auditor's Remuneration		199,500	230,690
Balances Written Off		92,940	232,606
Business Promotion		342,136	495,943
Commission Paid (Others)		129,411	1,013,375
Conveyance Expenses		174,628	170,239
Demat Charges		126,980	1,948,603
Depository Expenses		1,173,381	1,112,538
Client Servicing and Branch management expenses		39,422,598	47,612,494
Commission		19,488,713	14,978,688
Diwali Expenses		317,496	155,623
Income Tax on Assessment		394,000	-
Insurance		460,543	435,515
Legal and Professional Fees		2,273,817	2,608,848
Loss on F & O Trading		4,742,004	3,478,213
Membership Fees & Subscription		359,270	283,950
Miscellaneous Expense		447,217	391,904
Office Maintenance		1,712,931	1,652,312
Penalty		432,959	132,348
Printing and Stationary		659,338	1,116,251
Rates and Taxes		61,545	307,375
Registration Fee		338,332	592,622
Rent		8,923,698	6,995,519
Repairs, Maintenance and Software Maintenance		3,956,849	2,789,677
SEBI Fees		364,118	304,905
SMS Charges		140,032	138,606
Telephone and Internet Charges		3,642,416	4,764,951

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

PARTICULARS	Note No.	As at 31.03.12 ₹	As at 31.03.11 ₹
Travelling Expenses (Directors)		319,435	515,900
Travelling Expenses (Others)		400,464	729,943
V-SAT Expenses		448,994	890,509
Water and Electricity Expenses		2,612,172	2,217,742
Wealth Tax		30,136	-
Total		94,582,176	98,902,147
NOTE 23: EXCEPTIONAL ITEMS			
A) Excess Provision Written Back			
(i) Income Tax		219,789	252,513
(ii) Others (V-SAT)		-	210,000
B) Profit /(Loss) on Sale of Fixed Assets			
		80,000	(11,238)
Total		299,789	451,275

NOTE 24. OTHER NOTES TO FINANCIAL STATEMENTS.

1. i) Contingent Liabilities for Bank Guarantee issued in Favour of NSE / BSE is ₹ 300 Lakhs and issued in Favour of MCX/NCDEX for ₹ 210 Lakhs.
- ii) Demand in respect of the following matters is as follows:

(In ₹)

Income Tax	1,610,175/-
Service Tax	3,834,419/-
SEBI Penalty	700,000/-
Total	6,144,594/-

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 :

(In ₹)

Particulars	31.3.2012	31.3.2011
Statutory Audit	1,38,000/-	1,65,000/-
Tax Audit	34,350/-	31,500/-
Certification Fees	15,000/-	16,500/-
Other Services	10,000/-	14,690/-
TOTAL	1,97,350/-	2,27,690/-

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.	Key Management Personnel/individuals having control or significant influence. 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	Managing Director Whole Time Director Director Director Director Director Director Director
2.	Relatives of Key Management Personnel / Individuals having control or significant influence. a) Mr. Parth Nyati b) Mrs. Sita Nyati c) Mr. Chandmal Nyati	} Relatives of Managing Director
	d) Mr. Vandit Nyati e) Mrs. Vandana Nyati f) Mrs. Krishna Prabha Maheshwari g) Mr. Manish Maheshwari h) Mrs. Raksha Maheshwari i) Mrs. Rekha Gupta j) Mrs. Shashi Baldua k) Mrs. Manjubala Baheti	} Relatives of Director } Relatives of Director
3.	Enterprises owned/controlled by key managerial personnel or individuals having control or significant influence. a) Sunil Nyati H.U.F. b) Anil Nyati H.U.F. c) Vinod Rekha & Company d) Vinod Kumar Gupta & Sons HUF e) Tarun Kumar Baldua(HUF) f) ENAR Collections g) Drishti Multi Commodity Pvt. Ltd	H.U.F. of Managing Director H.U.F. of Non Executive Director Firm of Director HUF of Director HUF of Director Proprietorship firm of Director's Relative Company controlled by Director
4.	Subsidiary a) Swastika Commodities Pvt. Ltd. b) Swastika Insurance Services Limited c) Swastika Fin-Mart Private Limited	} Subsidiary Companies

B. Transactions with Related Parties:

(Figures in ₹)

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.	Expenditure					
	Salaries and Other benefits	6,018,720/- 5,795,280/-	– (–)	– (–)	– (–)	6,018,720/- (5,795,280/-)
	Office Rent	– (–)	– (–)	– (–)	3,00,000/- (2,70,000/-)	3,00,000/- (2,70,000/-)
	Professional Fees	– (–)	– (–)	– (–)	– 14,742/-	– 14,742/-
	Printing and Printing Material Expenses	– (–)	– (–)	– (–)	146,415/- (2,98,379/-)	146,415/- (2,98,379)
2.	Income					
	Brokerage Received	39,498/- (14,766/-)	2,592/- (21,873/-)	– (–)	– (227/-)	42,090/- (36,866/-)
3.	Expenses Recovered	– (–)	– (–)	26,207,168/- (14,500,000/-)	– (–)	26,207,168/- (14,500,000/-)
4.	Outstanding					
	Creditors	– (21,488/-)	– (3,23,205/-)	– (–)	– (–)	– (3,44,693/-)

Note : Figures in brackets represent previous year balances.

C. Related Parties are identified by the management and relied upon by the Auditors.

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 :

Sr. No.	PARTICULARS	2011-12 ₹
I	Changes in present value of obligations	
	Present Value of Obligations at beginning of the year	2,006,726
	Interest cost	160,538
	Current Service Cost	264,547
	Benefits Paid	–
	Actuarial (gain)/loss on obligations	(714,415)
	Present Value of Obligations at end of the year	1,717,396

Sr. No.	PARTICULARS	2011-12 ₹
II	Changes in fair value of plan assets	
	Fair Value of Plan Assets at beginning of the year	1,211,114
	Expected Return on Plan Assets	109,000
	Contributions	-
	Benefits Paid	-
	Actuarial gain/(loss) on plan assets	-
	Fair Value of Plan Assets at end of the year	1,320,114
III	Fair Value of plan assets	
	Fair Value of Plan Assets at beginning of the year	1,211,114
	Actual Return on Plan Asset	109,000
	Contributions	-
	Benefits Paid	-
	Fair Value of Plan Assets at end of the year	1,320,114
	Funded Status	(397,282)
	Excess of actual over estimated return on Plan Assets (Actual rate of return = Estimated rate of return as ARD falls on 31st March)	
IV	Actuarial Gain/(Loss) Recognized	
	Actuarial Gain/(Loss) for the year (Obligation)	714,415
	Actuarial Gain/(Loss) for the year (Plan Assets)	-
	Total Gain/(Loss) for the year	(714,415)
	Actuarial Gain/(Loss) recognized for the year	(714,415)
V	Amounts recognized in the Balance Sheet	
	Present Value of Obligations at end of the year	1,717,396
	Fair Value of Plan Assets at end of the year	1,320,114
	Funded Status	(397,282)
	Net Asset/(Liability) recognized in the balance sheet	397,282
VI	Expense recognized in Profit and Loss Account	
	Current Service Cost	264,547
	Interest cost	160,538
	Expected Return on Plan Assets	(109,000)
	Net Actuarial (Gain)/Loss recognized for the year	(714,415)
	Expense recognized in Profit and Loss Account	(398,330)
VII	Principal Assumptions	
	Discount Rate	8.00%
	Rate of increase in compensation	7.00%
	Corresponding data for the Previous Year 2010-11 as per AS-15 is not made available by the LIC (Gratuity Fund Manager).	

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. Other Operational Income of ₹ 1.45 Crores shown under the head Other Income during the Previous Year 2010-11, represents reimbursement of various expenses like advertisement, salary and rent expenses from the Subsidiary Company Swastika Commodities Pvt Ltd. In the current year, such expenses have been allocated and charged to the Subsidiary Company and payment has been received against the same

9. Earnings per Share (as per Accounting Standard - 20)	2011-12	2010-11
Earnings per share have been computed as under:		
Profit attributable to equity shareholders (A) (₹)	9,020,659/-	19,002,619/-
Average number of equity shares outstanding (B)	2959700	2959700
Basic / Diluted Earnings Per Share (A/B) (₹)	3.05	6.42

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

(In ₹)

Description	Deferred Tax Liability/ (Assets) As at 1.4.2011	Current year Charge Liability/ (Assets)	Deferred Tax Liability / (Assets) As at 31.3.2012
Depreciation Differences	4,184,919	(822,126)	3,362,793
Total	4,184,919	(822,126)	3,362,793

11. 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.

12. Previous year figures have been reclassified wherever necessary to confirm to the Classification for the year.

As per our report of even date
FOR R.S. BANSAL & COMPANY
 Chartered Accountants
 FRN : 000939C

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

VIJAY BANSAL
 Partner
 Membership No.: 075344

Sunil Nyati **Anita Nyati**
 Managing Director Whole Time Director

Place: Indore
 Date: 28.05.2012

Notice to the Shareholders

NOTICE is hereby given that the Twentieth Annual General Meeting of **SWASTIKA INVESTMART LIMITED** will be held on Friday, 14th Day of September, 2012 at 2.00 p.m., at the Registered Office of the Company at, 1st Floor, Bandukwala Building, British Hotel Lane, fort, Mumbai-400 001, to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2012 and the statement of Profit & Loss Account of the company for the year ended on the same date and the reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on equity shares. . .
3. To appoint a director in place of Mr. Anil Nyati, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. C.R.Doshi, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

6. **TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION, WITH OR WITHOUT MODIFICATION(S) AS AN ORDINARY RESOLUTION:**

“RESOLVED THAT in supersession of earlier resolution passed at the Annual General Meeting of the Company held on 30th September 2006 and pursuant to the provisions of Section 293 (1) (d) of the Companies Act, 1956 and other enabling provisions, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing any sum or sums of moneys for and on behalf of the Company, from time to time from any one or more persons, firms, bodies corporate, bankers, financial institutions, or from others by way of advances, deposits, loans or otherwise and whether unsecured or secured by mortgage, charge, hypothecation or lien or pledge of the Company's assets and properties, whether movable or immovable or stock-in process and debts, advances notwithstanding that the sum or sums of moneys so borrowed together with moneys, if any, already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will or may exceed the aggregate of the paid up capital of the Company and its free reserves which have not been set apart for any specific purpose, provided that the total amount up to which the moneys may be borrowed shall not exceed ₹ 50.00 crores (Rupees Fifty Crores) at any point of time on account of the principal.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do and perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution.”

7. **TO CONSIDER, AND IF THOUGHT FIT, TO PASS THE FOLLOWING RESOLUTION, WITH OR WITHOUT MODIFICATION(S) AS A SPECIAL RESOLUTION:**

“RESOLVED THAT pursuant to the provisions of section 372A of the Companies Act, 1956 and other applicable provisions, if any of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and in accordance with the provisions of Articles of Association of the Company and subject to further approval of statutory and other authorities as may be necessary and subject to such terms, conditions, stipulations, alterations, and modifications, if any, as may be prescribed and specified by such authorities while granting such approvals and which may be agreed by the Board of directors of the Company (hereinafter referred to as the 'Board' which expression shall include a Committee of directors duly authorized in this behalf) the consent of the Company be and is hereby accorded to the Board of directors of the Company to make investments and to provide loan, give securities, guarantee in excess of excess of the 60% of the aggregate of the paid-up share capital and free reserves and/or up to 100% of the aggregate of free reserves of

the Company as per the limits prescribed under section 372A of the Companies Act, 1956 and Board may in their absolute discretion deem beneficial and in the interest of the Company subject to the maximum aggregate amount not exceeding ₹ 50 Crores at any point of time together with the existing loan and investments.”

“**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to negotiate the terms, condition, quantum of loan, repayment, interest and other related matters for providing any loan, guarantee and securities or investment in bodies corporate and to do all such deeds and things as may be deemed expedient and necessary to give effect to these resolution.”

**By order of the Board of Directors
For Swastika Investmart Limited**

**Date : 10th August, 2012
Reg Off. 1st Floor Bandukwala
Building Hotel Lane, Fort,
Mumbai 400001**

**Sunil Nyati
Managing Director**

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE VALID, THE PROXY FORMS MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The relative Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956 in respect of Special Business as set out above is annexed hereto.
3. The Register of Members and the Transfer Books of the Company will remain closed from Saturday, 8th September, 2012 to Friday, 14th September, 2012 (both days inclusive) for the purpose of payment of dividend to those members whose name stand on the Register of Members as on 7th September, 2012. The Dividend in respect of equity shares held in electronic form will be payable to the beneficial owner of the equity shares as at the end of business hours on 7th September, 2012, as per the details furnished by the depositories for this purpose.
4. 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.
5. Corporate Members are requested to forward a Certified Copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
6. Members are requested to send their queries, if any, at least 10 days in advance so that the information can be made available at the meeting and members are requested to bring their copy of the Annual Report to the meeting as annual report will not be distributed at the Annual General Meeting.
7. Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nominations are requested to fill and send form 2B (Copy of which will be made available on request).
8. In all correspondence with the Company, members are requested to quote their Account/Folio numbers and in case their shares are held in dematerialized form, they must quote their client ID number and their DP ID number.
9. Under the Companies Act, 1956 dividends that are unclaimed for a period of seven years are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. 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 2004-05 onwards, are requested to make their claims without any delay. It may be noted that the unclaimed dividend declared on 30.09.2005 can be claimed by the shareholders by 29th October, 2012.

10. The Company has designated an exclusive email ID secretarial@swastika.co.in which would enable the members to post their grievances and monitor its redressal. Any member having any grievance may post the same to the said Email address for its quick redressal.
11. Members who wish to dematerialize the shares or seek any information regarding transfer of shares are requested to contact the Company Registrar and Share Transfer Agent.
12. Members attending the meeting are requested to bring with them the Attendance slip attached to the Annual Report dully filled in and signed and handover the same at the entrance of the hall.
13. 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 details of email id to our Registrar Ankit Consultancy Private Limited, 60, Electronics Complex, Pardeshi Pura Indore 452010 M.P. for sending the document in electronic form.
14. Details under clause 49 of the Listing Agreement with the Stock Exchange in respect of Directors seeking re-appointment at the Annual General Meeting is given in corporate governance report forming part of this annual report.

**By order of the Board of Directors
For Swastika Investmart Limited**

**Date : 10th August, 2012
Reg Off. 1st Floor Bandukwala
Building Hotel Lane Fort,
Mumbai 400001**

Sunil Nyati
Managing Director

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

ITEM NO. 7

The Shareholders are aware that at the Annual General Meeting held on 30th September 2006, an Ordinary Resolution was passed empowering to the Board of Directors of the Company to borrow from time to time for the purpose of carrying out the business of the Company, subject to the condition that money, so borrowed shall not exceed ₹ 20 Crores. In view of the increase in the volume of business operations and taking into account the requirement of additional funds and future growth plans of the company it would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow more monies. Your Directors feel that they should obtain consent from the Shareholders to borrow more funds.

Accordingly, it is desirable to obtain the consent of the Shareholders pursuant to section 293(1)(d) of the Companies Act, 1956 to the increase in the limit of borrowing powers of the Board of Directors from ₹ 20 crores to ₹ 50 crores, as is now proposed under the Ordinary Resolution and to give the necessary powers to Board of Directors as required under section 293(1)(d) of the Companies Act, 1956 with reference to such enhanced limit. The Directors recommend the approval of the Shareholders thereto.

None of the Directors is interested or concerned in this resolution except in capacity of their shareholding.

ITEM NO.8

Pursuant to the provisions of section 372A of the Companies Act 1956, company shall not directly or indirectly make any loan to any other body corporate, give any guarantee, or provide any security in connection with a loan made by any other person or acquire, by way of subscription, purchase or otherwise the securities of any other body corporate exceeding 60% of paid up share capital and free reserves or 100% of its free reserves whichever is more without the previous approval of the shareholders. Looking in the current market scenario and to carry on the business activities carried out by the company, it is desirable to enhance the limit of loan and investment up to ₹ 50 Crores according to the size of business of the company.

Section 372A of the Companies Act, 1956 requires approval of the shareholders by way of a special resolution for providing loan and making investment exceeding the limit prescribed under section 372A of the Companies Act, 1956.

The special resolution set out at item of the accompanying notice is recommended by the Board for the approval of members.

None of the Directors is interested or concerned in this resolution except in capacity of their shareholding.

**By order of the Board of Directors
For Swastika Investmart Limited**

**Date : 10th August, 2012
Reg Off. 1st Floor Bandukwala
Building Hotel Lane Fort,
Mumbai 400001**

**Sunil Nyati
Managing Director**

Swastika Investmart Ltd.

Regd. Office: 1st Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai-400 001

ATTENDANCE SLIP

Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the Annual General Meeting of the Company at 1st Floor, Bandukwala Building, British Hotel Lane Fort, Mumbai-40001-M.H., on Friday, 14th September, 2012 at 2.00 P.M.

.....
Full name of the Shareholder
(in Capitals)

.....
Signature

Folio No.....

.....
Full name of the Proxy
(in Capitals)

.....
Signature

Swastika Investmart Ltd.

Regd. Office : 1st Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai-400 001

PROXY FORM

I/We
Ofin district ofbeing a member/members of the above-named Company,
hereby appointof
or failing him.....ofas my/our
proxy to vote for me/us..... On my / our behalf at the Annual General Meeting of
the Company, to be held on Friday, 14th Day of September, 2012 at 2.00 P.M and at any adjournment there of.

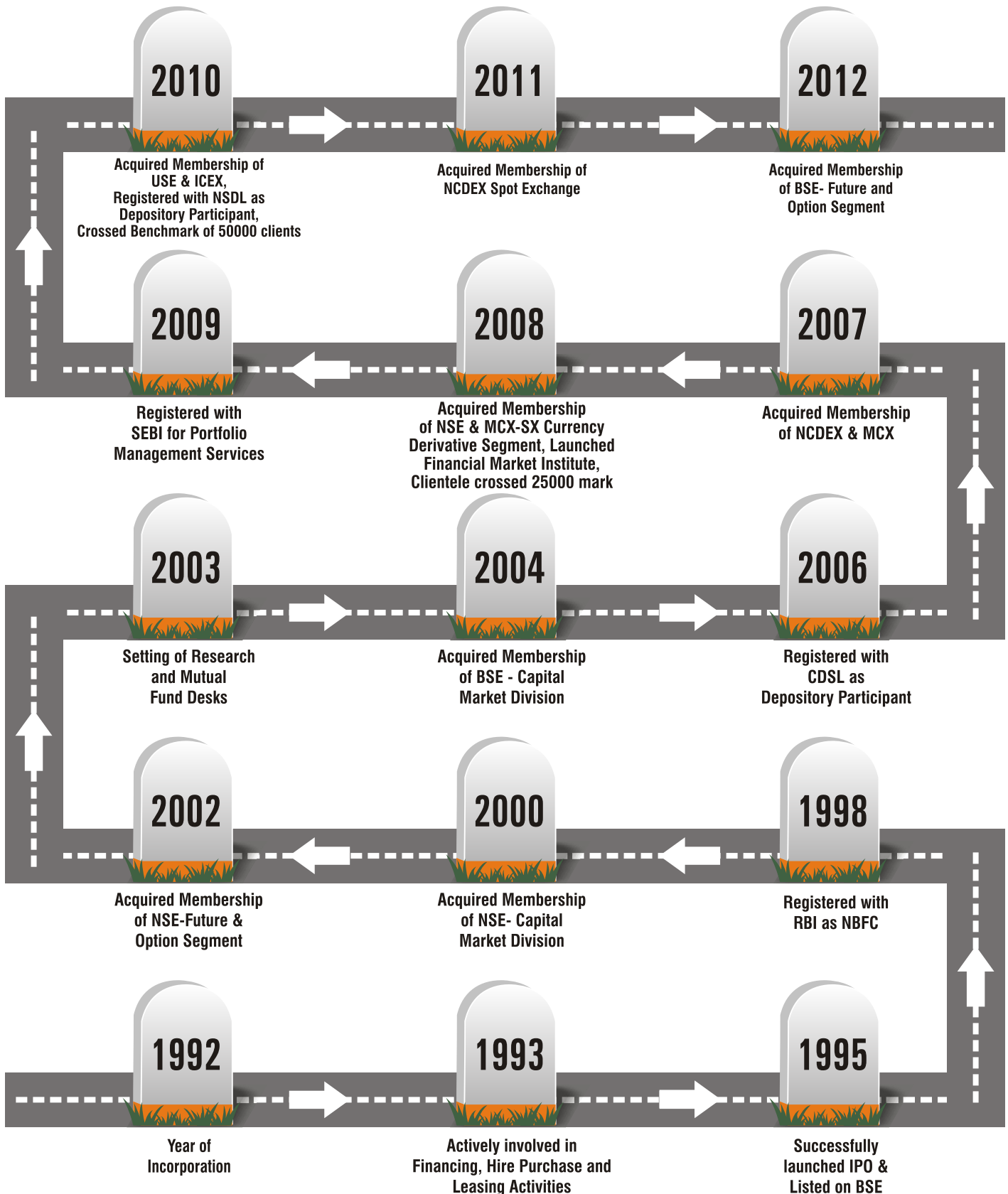
Signed this.....

Please Affix
1Rupee
Revenue
Stamp

.....day of2012

Note: The Proxy must be returned so as to reach the registered office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The proxy need not to be a member of the Company.

Successful journey of 20 Years





SWASTIKA INVESTMART LIMITED

Corp. Off.: 48 Jaora Compound, Indore-452001 ☎ : 0731-2705200, 6644000, Fax : 0731-6644300
Regd. Off.: 1st Floor, Bandukwala Building, British Hotel Lane, Fort, Mumbai-400001 ☎ : 022-66330000