



SYSTEMATIX GROUPTM
Investments Re-defined

BOARD OF DIRECTORS

Mr. C.P. Khandelwal	Chairman & Managing Director
Mr. Ramesh Raizada	Managing Director
Mrs. Anju Khandewal	Non - Executive Director
Mr. J.N. Khandelwal	Independent Director
Mr. Mahesh Solanki	Independent Director
Mr. Sunil Sarda	Independent Director

BANKERS

HDFC Bank, Chennai
ICICI Bank, Indore
Axis Bank, Chennai

COMPANY SECRETARY

Mr. V R N H S Prasad Sanka

PRACTISING COMPANY SECRETARY

KOTHARI H. & ASSOCIATES,
208, 2nd Floor, BSE Building,
Dalal Street, Fort,
Mumbai - 400 001

AUDITORS

Maharaj N. R. Suresh & Co.
Chartered Accountants
New No. 9 (Old No. 5)
II Lane, II Main Road
Trustpuram,
Chennai 600024

SHARE TRANSFER AGENTS

CAMEO CORPORATE SERVICES LIMITED
Subramanian Building No. 1,
Club House Road,
Chennai- 600002
Tel. No. -044- 28460390
E-mail- investor2@cameo.com

REGISTERED OFFICE

206- 207, Bansi Trade Centre,
565/581, M. G. Road,
Indore- 452001
Tel No. -0731-3018111-15
E-mail- secretarial@systematixshares.com

CORPORATE OFFICE

2nd Floor, J K Somani Building,
British Hotel Lane, Fort
Mumbai- 400001
Tel. No. +91 22 30298000
E-mail- secretarial@systematixshares.com

DIRECTORS' REPORT

The Members of
Systematix Corporate Services Ltd.

Dear Members,
Your Directors have Pleasure in presenting the Twenty Sixth Annual Report and Audited Accounts for the year ended 31st March, 2011.

FINANCIAL REVIEW:

(Rs. In Lacs)

Particulars	Year ended 31/03/2011		Year ended 31/03/2010	
	Stand alone	Consolidated	Stand alone	Consolidated
Total Income	290.95	3222.56	21.98	1195.09
Total Expenditure	190.58	797.67	70.04	348.09
Profit / (Loss) before depreciation and interest	100.37	2424.89	(48.06)	347.00
Interest	1.00	1703.05	1.53	793.12
Depreciation	7.81	12.32	5.96	6.19
Profit/ (Loss) before Tax	91.56	709.51	(55.55)	47.69
Tax/ Provision for Taxation/ Deferred Tax	2.89	210.84	1.25	36.19
Profit/ Loss after Tax	88.67	498.67	(56.80)	11.50
Paid up Equity Share Capital	1304.95	1304.95	1259.87	1259.87
Reserves & Surplus	2093.66	3333.15	1028.64	1055.20

As is evident from the above financial review, during the year, the company has earned Stand alone Income of Rs. 290.95 lacs as compared to income of Rs. 21.98 Lacs of the Previous Year and Consolidated Income of Rs. 3222.56 lacs as compared to income of Rs. 1195.09 lacs of the previous Year. The Company earned Stand alone Profit after tax during the year is Rs. 88.67 Lacs as compared to the Profit after Tax of the previous year of Rs. (56.80) and Consolidated Profit after tax during the year of Rs. 498.67 lacs as compared to the Profit after Tax of the Previous year of Rs. 11.50 Lacs.

DIVIDEND AND TRANSFER TO RESERVES

In order to conserve the resources for increasing business operations, Your Director do not recommend any dividend for the year under review. No amount is proposed to be transferred to Reserves.

The Register of Members and Share Transfer Books will remain closed from 28th September, 2011 to 30th September, 2011, both days inclusive. The Annual General Meeting of the Company will be held on 30th September, 2011.

SHARE CAPITAL AND OPTIONAL CONVERTIBLE DEBENTURE:

During the year the Company has allotted 4,43,758 nos. of Equity Shares of the face value of Rs. 10 each at Rs. 250/- share and 3,03,667 nos. of Optionally Fully Convertible Debentures (OFCDs) face value of Rs. 250/- to the Shareholders of Systematix Shares & Stocks (India) Limited (SSSIL) as a consideration against acquisition of 29,89,700 nos. of Shares of SSSIL.

PUBLIC DEPOSIT:

During the Year under review the Company has neither accepted nor invited any public deposits within the meaning of section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975. Also there are no outstanding public deposits.

DIRECTORS

In accordance with the provisions of the companies Act, 1956 and Article of Association of the Company, Mr. Ramesh Raizada and Mrs. Anju Khandelwal retires by rotation at the forthcoming Annual General Meeting, and being eligible, offer themselves for re- appointment.

Information on the provision details of director seeking appointment/ re- appointment as required under clause 49 of the Listing Agreement has been given under the Notice to Shareholders under the head "Additional Information".

DIRECTORS RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

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

- I. That in the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- II. That the Directors have selected appropriate accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and on the profit of the Company for the year under review.
- III. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and,
- IV. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2011 on a 'going concern' basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Analysis and discussion Report, as required under the listing Agreement with the Stock Exchange is enclosed at Annexure A.

SUNSDIARY COMPANIES:

The Company as of March 31, 2011 had Four subsidiaries, viz M/s. Systematix Fincorp India Limited, M/s. Systematix Finvest Private Limited and M/s. Systematix Shares & Stocks (I) Limited the Wholly Owned Subsidiary of the Company and M/s.

Systematix Commodities Services Private Limited, wholly Owned Subsidiary of the Systematix shares and Stocks (I) Limited.

ANNUAL ACCOUNTS OF THE SUBSIDIARY COMPANIES:

Ministry of Corporate Affairs (MCA), Govt. of India has, vide circular No.5/12/2007-CL-III dated February 08, 2011, issued general exemption under section 212(8) of the Companies Act, 1956 to the companies fulfilling the conditions contained in the above circular from complying with the provisions of section 212 of the Companies Act, 1956 which requires holding companies to attach annual accounts and other documents of subsidiary companies to its balance sheet. Accordingly, the Company has not attached the annual accounts and other documents of its subsidiaries to this Annual Report. Summarised financial information of each subsidiary has been included in the disclosures to Consolidated Financial Statements of the Company.

Annual Accounts of each of Company's subsidiary companies and the related detailed information will be made available to the shareholders of the holding and subsidiary companies seeking such information at any point of time. Interested shareholders may write to Board Department of the Company in this regard.

The annual accounts of each of the Company's subsidiary companies will also be available for inspection by any shareholder in the head offices of the holding and subsidiary companies. Addresses of the Company and the subsidiary companies are given at the end of the corporate governance chapter.

LISTING AT STOCK EXCHANGE

The Equity Shares of the Company continue to be listed at Bombay Stock Exchange Ltd. (BSE). The Company has paid the annual Listing fee for the financial year 2011-12 to BSE.

AUDITORS AND AUDITORS' REPORT

The Statutory Auditors of the Company, M/s. Maharaj N. R. Suresh & Co., Chartered Accountants, hold office until the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received a certificate from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

The Notes on Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTIONS, FOREIGN EXCHANGE EARNINGS AND OUTGOES:

The nature of the Company is a service Company. Therefore the particulars relating to conservation of energy and technology absorption as stipulated in the Companies (Disclosure of particulars in the Board of Directors) Rules, 1988 are not applicable to the Company.

There was no foreign exchange earnings and outgo during the year under review.

PARTICULARS OF EMPLOYEES

Information as per Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, forms part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Act, the Report and Accounts are being sent excluding the statement containing the particulars to be provided under Section 217(2A) of the Act. Any member interested in obtaining such

particulars may inspect the same at the Registered Office of the Company or write to the Company Secretary for a copy thereof.

TRANSFER OF UNPAID / UNCLAIMED AMOUNTS TO INVESTOR EDUCATION PROTECTION FUND (IEPF)

During the year, there were no amounts which remained unpaid / unclaimed for a period of 7 years and which were required to be transferred by the Company to the Investor Education and Protection Fund established by the Central Government pursuant to Section 205C of the Companies Act, 1956.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and analysis report for the year under review, as stipulated under clause 49 of the listing agreement with the stock exchanges in India, is presented in a separate section which forms, part of the annual report

CORPORATE GOVERNANCE:

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the stipulation set out in the Listing Agreement with the Stock Exchange and have implemented all the prescribed requirements.

A Report on Corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchange forms part of the Annual Report.

A Certificate from the Auditors of the Company, M/s. Maharaj N. R. Suresh & Co., Chartered Accountants confirming the compliance of conditions of the corporate Governance as stipulated under clause 49 of the Listing Agreement as also the Management Discussion and Analysis Report are annexed to this Report.

AUDIT COMMITTEE:

As per the provision of the Companies Act, 1956 and Listing Agreement with the Stock Exchanges, the Audit Committee of the Company comprised of the three non-executive independent Directors viz., Mr. Mahesh Solanki, Mr. J N Khandelwal and Mr. Sunil Sardar. Mr. Mahesh Solanki is the Chairman of the Audit Committee.

SHAREHOLDERS' / INVESTORS' GRIEVANCES COMMITTEE:

As per the provision of the Companies Act, 1956 and Listing Agreement with the Stock Exchanges, the Shareholders' / Investors' Grievances Committee of the Company comprised of the three non-executive independent Directors viz., Mr. Mahesh Solanki, Mr. J N Khandelwal and Mr. Sunil Sardar and Mr. J N Khandelwal is the Chairman of the Shareholders' / Investors' Grievances Committee.

REMUNERATION COMMITTEE:

As per the provision of the Companies Act, 1956, the Remuneration Committee of the Company comprised of the three non-executive independent Directors viz., Mr. Mahesh Solanki, Mr. J N Khandelwal and Mr. Sunil Sardar and Mr. Sunil Sardar is the Chairman of the Remuneration Committee.

ACKNOWLEDGMENTS

Your Directors place on record their gratitude for the valuable support and assistance extended to the Company by the Banks, Government Authorities and look forward to their continued support. Your Directors place on record their gratitude towards the stakeholders and clients of the Company for reposing their faith and

confidence in the Company. Your Directors also wish to place on record their appreciation of the contribution made by the Executives and staff of the Company.

By order of the Board
For Systematix Corporate Services Limited

Sd/-

Chandra Prakash Khandelwal

(Managing Director)

Place: Mumbai

Date: 18-06-2011

CORPORATE GOVERNANCE REPORT

Pursuant to clause 49 of the Listing Agreement, a Report of Corporate Governance given below:

1. COMPANY'S PHILOSOPHY ON CODE ON GOVERNANCE

The Company's philosophy on corporate governance is aimed at the efficient conduct of its business and in the meeting its obligation to shareholders. The Company has adopted a codified Corporate Governance Charter inter alia, to fulfill its corporate responsibilities and achieve its financial objectives.

The Company believes in and has consistently practiced good Corporate Governance. The Company creates an environment for the efficient conduct of the business and to enable management to meet its obligations to all its stakeholders, including amongst others, shareholders, customers, employees and the community in which the company operates along with fulfillment of its objectives.

2. BOARD OF DIRECTORS:**A. Composition**

The Board consists of an optimum combination of executive and non-executive Directors, who have an in dept knowledge of the business, in addition to expertise in their areas of specialization.

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management. The Board of Directors of the Company consists of six directors, Four of whom are non-executive independent directors thus making the more than 50% of the Board members as independent.

Board thinks that the shareholders should know the details of Board Meeting as well as details of participation by the Company's Directors to understand fully the contributions made by their Directors. The Company has, therefore, decided to make full disclosure on the Board Meetings as well as attendance record of all Directors on the Board.

The details of the Board of Directors, their Designation, Category, other directorship and committee memberships, their attendance at the board meetings/last annual general meeting, are given below: (as per separate Chart):

Name of the Director	Category of Directorship	No. of Shares held in Company (As on 31.03.2011)	Directorship in other companies* (Nos.)	Committees of other companies**		Attendance at the Board Meeting		Attendance in last AGM
				Member	Chairman	No. of Meeting held	No. of Meeting attended	
Mr. Chandra Prakash Khandelwal (Managing Director)	Executive, Non-Independent	1,38,215	08	03	Nil	10	9	Yes
Mr. Ramesh Raizada (Managing Director)	Non-Executive, Professional, Independent	Nil	Nil	Nil	Nil	10	7	Yes
Mr. Mahesh Solanki	Non-Executive, Independent	Nil	01	Nil	Nil	10	6	Yes
Mrs. Anju Khandelwal	Non-Executive, Non-Independent	50,803	02	Nil	Nil	10	8	Yes
Mr. Sunil Sarda	Non-Executive, Independent	Nil	03	Nil	Nil	10	9	Yes
Mr. J. N. Khandelwal	Non-Executive, Independent	Nil	02	03	01	10	06	No

All the Independent Directors of the Company have furnished a declaration at the time of their appointment as also annually that they qualify the tests of

independence as laid down under Clause 49. All such declaration is placed before the Board for information.

NOTES:

- Excludes directorship in Systematix Corporate Services Limited. Also excludes directorship in Indian Private Limited Companies, Foreign Companies, Section 25 Companies and Alternate Directorships. As per the disclosure(s) received from the Directors, the Directors do not hold directorship in more than 15 Companies.
- For the purpose of considering the limit of the Committee Memberships and Chairmanships of a Director, the Audit Committee and the Shareholders' Grievances Committee of public listed committees alone has been considered. As per disclosure(s) received from the Directors, the Director does not hold memberships in more than 10 Committees and Chairmanships in more than 5 Committees.

B. Number of Board Meeting held and dates thereof:

Your Company's Board of Directors met 10 times during the financial year ended 31st March 2011 on the following days:

Date	Board Strength	Number of Directors present
24.04.2010	6	6
29.05.2010	6	5
12.08.2010	6	5
15.10.2010	6	3
15.11.2010	6	5
07.01.2011	6	3
14.01.2011	6	4
14.02.2011	6	6
09.3.2011	6	3
24.03.2011	6	5

The time gap between any two Board Meetings does not exceed four months in accordance with the Clause 49 of the Listing Agreement. The calendar of Board Meetings to be held in the succeeding year is determined in advance to review and declare the quarterly and the annual results of the Company. However, additional meetings are held as and when necessitated.

3. AUDIT COMMITTEE**Composition:**

All the members of the Audit Committee possess financial / accounting expertise. The composition of the Audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of Listing Agreement.

The composition of the Audit Committee is as follows:

Audit Committee

SL. No.	Name of Director	Designation	Category of Director
1	Mr. Mahesh Solanki,	Chairman	Non-Executive Independent Director
2	Mr. Sunil Sarda	Member	Non-Executive Independent Director
3	Mr. J. N. Khandelwal	Member	Non-Executive Independent Director

during the Financial Year 2010-11 the Audit Committee met 4 times on 29th May 2010, 12th August 2010, 15th November 2010 and 14th February 2011. The following directors were present in the meeting:

SL. No.	Name of the Members	No. of meetings attended
1	Mr. Mahesh Solanki,	4
2	Mr. Sunil Sarda	4
3	Mr. J. N. Khandelwal	4

Terms of Reference

The terms of reference/ power of the Audit Committee has been specified by the Board of Directors as under:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advise.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

The constitution of the audit Committee meets the requirements of section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Chairman of reconstituted Audit Committee Mr. Mahesh Solanki was present at the 25th Annual General Meeting of the Company held on 30th September, 2011.

Executives of finance department, Secretarial Department, Head of Internal Audit and representative of the Statutory Auditors are invited to attend the Audit Committee Meetings.

Objective

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting.

Information for review

1. Management Discussion and Analysis of financial condition and result of operations.
2. Statement of Significant related party transactions (as may be defined by the audit committee), submitted by management.
3. Management letters/ letters of internal control weakness issued by the statutory auditors and internal audit reports relating to internal control weakness.
4. Internal audit reports relating to internal control weakness; and
5. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

4. REMUNERATION COMMITTEE

The Board has constituted a Remuneration Committee which determines and recommends to the Board, the remuneration payable to the Executive Directors of the Company.

Composition

The composition of the Remuneration Committee as follows:

Remuneration Committee (Prior Reconstitution)

Sr. No.	Name of Member	Position	Category
1	Mr. Mahesh Solanki	Chairman	Non-Executive Independent
2	Mr. Sunil Sarda	Member	Non-Executive Independent
3	Mr. J. N. Khandelwal	Member	Non-Executive Independent

Remuneration Committee (After Reconstitution)

Sr. No.	Name of Member	Position	Category
1	Mr. Sunil Sarda	Chairman	Non-Executive Independent
2	Mr. Mahesh Solanki	Member	Non-Executive Independent

3	Mr. J. N. Khandelwal	Member	Non-Executive Independent
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The Audit Committee comprised of three Directors namely Mr. Mahesh Solanki, Mr. Sunil Sarda and Mr. J. N. Khandelwal. But during the year Mr. Mahesh Solanki has resigned from the post Chairmanship of the Audit Committee. Thereafter, Mr. Sunil Sarda appointed as the Chairman of the Committee.

Meeting and Attendance

During the year financial year 2010-2011, the Committee met twice on 30.06.2010 & 09.03.2011 and was attended by the Committee members.

Terms of reference

1. Administration and superintendence of Employee Stock Option Scheme.
2. Formulation of the detailed terms and conditions of the ESOS.
3. Grant of Stock Options.
4. Recommendation for fixation and periodic revision of the compensation of the Managing Director and Executive Directors to the Board for approval.
5. Review and approve compensation policy (including performance bonus, incentives, perquisites and benefits) for senior management personnel.

Remuneration Policy

The Remuneration Policy of the Company for managerial personal is primarily based on the following criteria:

1. Performance of the Company
2. Track record, potential and performance of individual managerial personnel.
3. External competitive environment.

Remuneration of Directors

Remuneration of Executive Directors is decided by the Board, based on the recommendation of the Remuneration Committee as per the remuneration policy of the Company, within the ceilings fixed by the Shareholders.

Remuneration of the Executive Directors for the year ended 31st March, 2011, was as follows:

Name of the Director	Sitting fee (Rs.)	Commission on profit (Rs.)	Salary & allowances (Rs.)	Contribution to PF (Rs.)	Perquisites (Rs.)	Total (Rs.)
Mr. C. P. Khandelwal	Nil	Nil	900000	Nil	Nil	900000
Mr. Ramesh Raizada	Nil	Nil	900000	Nil	Nil	900000

The Company has not introduced any stock option scheme for any of its Director

No payment in the form of Director's Remuneration was made to any other Director for the year ended 31st March 2011.

Remuneration to Non Executive Directors

During the year ended 31st March 2011, the Company has not paid any remuneration either in the form of commission or sitting fee to its non- executive Directors.

5. SHAREHOLDERS' AND INVESTORS' GRIEVANCE COMMITTEE

In terms of Clause 49 of the Listing Agreement, the Board has constituted the Shareholders/ Investor Grievances Committee.

The Committee normally meets as and when required. The Committee looks into redressal of shareholders complaints like non-transfer of shares, non-receipt of Balance Sheets etc. further the Committee reviews the cases of transfer, split, consolidation and issue of duplicate share certificates, dematerialized shares received by the Registrar and Transfer Agents.

The minutes of the Investor Grievance Committee Meetings are placed at the subsequent Board Meeting and are noted by the Board.

Composition

The Board has reconstituted Shareholders/ Investor Grievances Committee, comprising Three Independent Non-Executive Directors, namely J.N. Khandelwal, Chairman, Mahesh Solanki and Mr. Sunil Sarada. The Composition of Committee is as under:

Shareholder/ Investor Grievance Committee

Sr. No.	Name of Members	Position	Category
1	Mr. J N Khandelwal	Chairman	Non-Executive Independent
2	Mr. Sunil Sarada	Member	Non-Executive Independent
3	Mr. Mahesh Solanki	Member	Non-Executive Independent

Meetings and Attendance

During the Financial Year 2010-11, Three Meetings of Shareholders/ Investor Grievances Committee were held on 12.08.2010, 15.10.2010 and 14.02.2011.

The attendance of members at the Investors Grievances Committee meeting is as under:

Sr. No.	Name of the Members	No. of meetings attended
1	Mr. Mahesh Solanki	3
2	Mr. Sunil Sarada	3
3	Mr. J N Khandelwal	3

Compliance Officer

Mr. V.R.N.H.S. Prasad Sanka, Company Secretary, is appointed as Compliance Officer for complying with the requirement of the Listing Agreement with the Stock Exchanges and for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992

Exclusive E- Mail Id for Investor's Grievances: secretarial@systematixshares.com

6. GENERAL BODY MEETINGS:**A) Annual General Meetings:**

Financial Year	Date	Time	Venue	Special Resolution passed
Annual General Meeting 2009-2010	30.09.2010	12.30 p.m.	At the registered office of the company: 206-207, Bansi Trade Centre, 565/581, M.G. Road, Indore	Authorization for giving corporate guarantee by the Company.
Annual General Meeting 2008-2009	30.09.2009	12.30 p.m.	At the registered office of the company: 206-207, Bansi Trade Centre, 565/581, M.G. Road, Indore	No Special Resolution Passed
Annual General Meeting 2007-2008	30.09.2008	12.30 p.m.	At the registered office of the Company: 206-207, Bansi Trade Centre, 565/581, M.G. Road, Indore	Authorization for giving corporate guarantee by the Company.

B) Special Resolution passed through postal Ballot

During the financial year 2010-11, Two (2) Special Resolutions and Two (2) Ordinary Resolutions were passed on February 09, 2011, by the Company's members through postal ballot process, Details of the resolutions are as follows:

(i) Purpose of Resolutions:

1. Special Resolution for authorizing to Board of Directors to make Preferential Allotment of Shares / OFCDs under Section 81 (1A).
2. Special Resolution for authorization to Board of Directors to make loan(s)/ Investment(s) and/or give any guarantee(s)/provide any security under Section 372A of the Companies Act, 1956.
3. Ordinary Resolution for authorization to Board of Directors for Creation of Charge under Section 293 (1) (a) of the Companies Act, 1956.
4. Ordinary Resolution for authorization to Board of Directors for increasing borrowing power limit under Section 293 (1) (d) of the Companies Act, 1956.

(ii) Person who conducted the postal ballot exercise:

Board appointed Mr. Hitesh Kothari Proprietor of M/s. Kothari H. Associates, Practising Company Secretaries, as the Scrutinizer to conduct postal ballot voting process. Mr. Hitesh Kothari conducted process and submitted his report to the Chairman and Managing Director.

(iii) Procedure followed:

- (i) The Postal Ballot Notice and accompanying documents were dispatched to shareholders under certificate of posting.
- (ii) A calendar of events along with Board Resolution was submitted to the Registrar of Companies, Maharashtra, Mumbai and Bombay Stock Exchange Limited (BSE).

C) Details of voting pattern:

After scrutinizing all the ballot forms received, the Scrutinizer reported that:

- 1. Total Number of Postal Ballot received : 12 Ballot
- 2. Number of Shares represented by aforesaid Shareholders : 4308203 Eq. Shares

Item No.	Special / Ordinary Resolution	Total voting strength voted in favour of the resolution
01	Special Resolution	99.99 %
02	Special Resolution	99.99 %
03	Ordinary Resolution	99.99 %
04	Ordinary Resolution	99.99 %

7. DISCLOSURES**Related Party Transaction and Pecuniary Relationship of Directors**

None of the transactions with any of the related party were in conflict with the interest of the Company. Attention of members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts point no. 8 forming part of Annual Report.

The related party transactions are entered into based on consideration on professional expertise, to meet exigencies, better negotiation, etc.

All related party transactions are negotiated on arm length basis and are only intended to further the interests of the Company.

Disclosure of Directors' interest in transaction with the Company

All the transactions with the Directors and their related parties i.e. the companies in which they are interested have been made under the authority of the Board of Directors and on an arm's length basis and the interested Directors have duly disclosed their interest to the Board of Directors at the Board Meeting. Such transaction have been done on an arm's length basis at the prevailing market rates and have been duly entered in the register of contracts maintained under section 301 of the Companies Act, 1956.

Compliance by the Company

The Board periodically reviews at its meetings compliance reports of all laws applicable to the Company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances.

The Company has complied with the requirements of Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets. No penalties, strictures have been imposed on the Company by any stock exchange or SEBI or any other authorities relating to capital markets.

Code of Conduct

The Company is committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

The Company believes that a good corporate governance structure would not only encourage value creation but also provide accountability and control systems commensurate with the risk involved.

8. MEANS OF COMMUNICATION

The quarterly, half yearly and annual financial statements prepared in accordance with the Accounting Standards laid down by the institute of Chartered Accountants of India are generally published in well circulated newspapers i.e. Free Press and Choutha Sansar. Besides, all the financial, vital and price sensitive official news releases are also properly communicated to the concerned stock exchanges.

9. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting: Date, Time and Venue	Friday 30 th day of September, 2011 at the registered office of the Company at 206-207, Bansi Trade Centre, 565/581, M.G. Road, Indore-452001 (M.P.).
Financial Calendar	The Company follows April to March as its financial year. The result for every quarter beginning from April will be declared within the time prescribed under Listing Agreement.

Date of Book Closure	Monday, the 26 th September, 2011 to Friday, the 30 th of September, 2011 (Both days inclusive)
Listing on Stock Exchanges	Bombay Stock Exchange Limited, Mumbai
Stock Code	526506.
Dematerialization of Shares	The shares of the Company are compulsorily traded in the dematerialized form under the depository system of both the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
ISIN No.	INE356BO1016
Corporate Identification Number	L91990MP1985PLC002969
Dematerialization of Shares and Liquidity	93.84 % of the paid up capital of the company has been dematerialized as on 31.03.2011 Further trading in the Company's shares is compulsory in dematerialized form.
Register and Transfer Agents	Cameo Corporate Services Ltd. Subramanian Building, Club House Road, Chennai- 600002 Ph. No. 044-28460390
Share Transfer System	All the transfer received are processed by the Registrar and Transfer Agents and approved by the Share Transfer Committee.
Dividend Payment for financial year 2010-2011	Nil
Address for correspondence	Systematix Corporate Services Ltd. Registered Office Address; 206-207, Bansi Trade Centre, 565/581, M.G. Road, Indore-452001 Corporate Office Address: J K Somani Building, IInd Floor, British Hotel Lane, Fort, Mumbai- 400001 Shareholders may correspond to the Registrar and Transfer Agents.

Stock Price Data

The following table gives the monthly high and low of Company's share price on the Stock Exchange, Mumbai.

Month	Company's share price on BSE		BSE Sensex	
	Monthly High (in Rs.)	Monthly Low (in Rs.)	High	Low
April, 2010	25.50	19.10	18047.86	17276.8
May, 2010	34.00	24.95	17536.86	15960.15
June, 2010	32.55	25.75	17919.62	16318.39
July, 2010	33.25	26.85	18237.56	17395.58
August, 2010	34.95	25.10	18475.27	17819.99
September, 2010	93.15	26.35	20267.98	18027.12
October, 2010	211.80	94.00	20854.82	19768.96
November, 2010	313.90	192.00	21108.64	18954.82
December, 2010	244.80	160.00	20552.03	19074.57
January, 2011	189.00	130.05	20664.8	18038.48
February, 2011	145.00	105.75	18690.97	17295.62
March, 2011	134.50	81.70	19575.16	17792.17

[
Shareholding Pattern as on 31st March, 2011

Category	No. of Shares Held	Percentage of Shareholding
Shareholding of promoter and promoter group		
Indian promoters:		
Individual/ HUF	531455	4.05
Bodies Corporate	4258806	32.45
Foreign Promoters	Nil	Nil
Sub- total	4790261	36.50
Non- Promoter's Holding		
Institutional Investors	Nil	Nil
Mutual Fund and UTI	Nil	Nil
Banks, Financial Institutions, Insurance Companies [Central / State Govt. Institutions / Non- government Institutions]	Nil	Nil
FII's	1196601	9.12
Sub-total	1196601	9.12
Others		
Private Corporate Bodies	5509675	41.99
Indian Public	133117	12.05
NRIs/ OCBS	2610	.02
Any other-		
Clearing Member	194	194
Hindu Undivided Families	41900	.32
Sub-total	7135696	63.50
Grand Total	13122550	100

Distribution of Shareholding as on 31st March, 2011

Shareholding of Nominal Value (Rs.)	No. of Shareholders	% of Total	Share Amount (in Rs.)	% of Total
10 to 5000	1688	79.3979	3713820	2.8301
5001 to 10,000	196	9.2191	1631790	1.2434
10,001 to 20,000	107	5.0329	1628030	1.2406
20,001 to 30,000	30	1.4111	798210	0.6082
30,001 to 40,000	18	0.8466	643700	0.4905
40,001 to 50,000	16	0.7525	752520	0.5734
50,001 to 1,00,000	38	1.7873	2739350	2.0875
1,00,001 and above	33	1.5522	119318160	90.9259
Total	2126	100.0000	131225580	100.000

Auditor's Certificate on Corporate Governance

The Company has obtained a certificate from its statutory auditors Maharaj N.R. Suresh & Co., Chartered Accountants confirming compliance with the condition of corporate governance as stipulated in clause 49 of Listing Agreement with the Stock Exchanges. This Certificate is annexed to the Directors' Report for the year 2010-11. This Certificate will be sent to the stock exchanges along with the annual report to be filled by the company.

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

"We, the undersigned hereby confirm that the Company has obtained from all members of the Board and Senior Management, affirmation that they have complied with the code of Business Conduct and Ethics for Directors and Senior Management in respect of the financial year 2010-11."

By order of the Board
For Systematix Corporate Services Limited
Sd/-

Chandra Prakash Khandelwal
(Managing Director)

Place: Mumbai
Date: 18-06-2011

MANAGEMENT ANALYSIS AND DISCUSSION REPORT

MACRO-ECONOMIC ENVIRONMENT

Economy: Review and outlook

The current macro-economic scenario in India is characterized by an emerging dichotomy of a sustained momentum in domestic consumption and weakening pace of investment activity. In the early phase of economic recovery in FY10, investments grew sharply, largely reflecting the inventory re-stocking cycle. However, the momentum seems to be tapering as is reflected in the more recent quarterly GDP and monthly IIP data. However, private consumption activity has been growing above-trend, partly supported by government social sector spending that has kept up the wage growth in the rural sector.

In our assessment, inflationary pressures seem to be arising from a mix of supply and demand-side factors with high fiscal spending contributing considerably to demand-side pressures. A monetary tightening in order to reign in demand side pressures needs to be complemented by fiscal measures to address the issue of rising inflation. The government and the central bank are taking various measures which appear to be moderating the inflation fears. The liquidity issues, which were there earlier in the year, have started to go away. The initial forecast of an average monsoon is also a comfort.

On the external front, India's merchandise exports have shown phenomenal growth averaging around 35% in recent months compared with a historical average of 25%. Renewed vigour in western economies in the last few quarters and sustained growth in Asian economies have helped buoy Indian exports. Accordingly, recent BoP data release showed trade deficit narrowing to less than 7%. Also, the overall current account deficit (CAD) narrowed sharply to around 2.1% of GDP compared with an upwardly revised number of 4.3% earlier. Shrinking of CAD after a sharp rise in H1FY11 definitely brings respite to investors and policymakers.

Considering all these factors, we feel that even as the India investment story has slowed marginally in the short-term, the long-term India consumption story is still strong.

Capital Markets

The Indian capital markets witnessed robust activity in the earlier part of FY11. The markets went through some testing times during the final quarter. The equity markets continued to be affected by a lack of interest by retail investors, volatile FII flows and concerns on corporate earnings. High interest rates also affected capital raising activity through bonds. The commodity markets were also volatile in view of pressure on global commodity prices. We see the concerns persisting in the early part of the year ahead of us. However, with an expected boost in the infrastructure expenditure and with the industries already facing capacity crunch, we expect investment activity to revive in the latter half of the coming year.

Debt Markets

It is an undisputed fact that deep and liquid debt markets are as important to the long-term growth of an economy as equity markets. In India unfortunately, for a variety of reasons, there has been a lag in the development of debt markets when compared to equity markets. What is heartening is that in recent times, the RBI and SEBI have taken a number of steps to develop the corporate bond market. Limits on foreign investment in local currency bonds have been progressively liberalized.

It is expected that further reforms in insurance and pension segments of the financial sector along with fiscal consolidation will spur demand for corporate bonds. Moreover, the advent of Treasury Bill interest rates futures, introduction of corporate bonds repo ability and credit default swaps coupled with other reforms is expected to galvanize the debt markets. This would help in making bonds a cheaper and more efficient alternative for corporate for raising resources. As India has a huge need for infrastructure development, the expansion of corporate bond market becomes imperative and is expected to become a major source of capital in future when structural reforms are in place.

SYSTEMATIX OVERVIEW

Systematix Corporate Services Limited, incorporated in 1985 consists of 4 subsidiaries and 18 associate companies. The Company is a SEBI registered 'Category I' Merchant Banker handled over 70 public issues. The company's operations are organized around five broad lines - Public Issues/ Right issues, Foreign Listing, ADR/GDR issues, Debt Syndication and private placement for its prestigious corporate clients.



Services Offered:

- **Merchant Banking:** We have a decade experience in the capital markets public offering and maintain a close relationship with local & Global investment banking firms that can provide initial public offerings (IPOs) and other secondary and follow -on registered offerings. Systematix Group maintains active relationships and provides services with numerous institutional investors including major venture capital fund, private equity funds, leveraged buyout funds, regional & money center commercial banks and insurance companies.

- *Open Offers/ Delisting
- *Distribution of IPO/ Public issue/ Rights Issue/ MF and others
- *ESOP's certification/ FBT valuation
- *Foreign Listing
- *Depository Participants
- *Equity / Debt placements
- *Loan against Shares

Advisory services:

- **Mergers and Acquisitions:** Our Mergers and Acquisitions (M&A) team provides strategic and financial advice to our clients. This helps our clients achieve their business objectives through mergers, acquisitions, takeovers, tender offers, divestments, spin-offs, restructuring, joint ventures, strategic alliances and demergers. Our services encompass strategy formulation, identification of buyers or targets, valuation, negotiations and bidding, capital structuring, transaction structuring and execution.

*Research and Analysis on behalf of our clients as well as others

*Business Consulting

*Structuring of Funding

*Consulting on emerging opportunities in India on a global perspective

*Restructuring

*Identification of new sector and opportunities

OPPORTUNITIES AND THREATS:**Opportunities:**

- Economy is growing at healthy rate leading to investment / capital requirement.
- Growing Financial Services industry's share of wallet for disposable income.
- Huge market opportunity for wealth management service providers as Indian wealth management business is transforming from mere wealth safeguarding to growing wealth.
- Regulatory reforms would aid greater participation by all class of investors.
- Leveraging technology to enable best practices and processes.
- Corporate looking at consolidation / acquisitions / restructuring opens out opportunities for the corporate advisory business.

Threats:

- Execution risk.
- Slowdown in global liquidity flows.
- Increased intensity of competition from local and global players.
- Unfavorable economic conditions.

Strengths:

- Strong Brand name
- Experienced Top Management
- Integrated financial services provider
- Strong Risk Management
- Strong and liquid balance Sheet
- Financial Prudence
- Cost Flexibility
- People and culture

RISKS AND CONCERNS:

The company is primarily exposed to credit risk, interest rate risk, liquidity risk and operational risks. Internally, it has constituted the Asset Liability Management Committee to manage these risks. This team identifies, assesses and monitors all principal risks in accordance with defined policies and procedures. The committee is headed by the Chairman & Managing Director.

The Board Level Committees viz. Audit Committee, Shareholder's Grievances Committee and Remuneration Committee oversee risk management policies and procedures. It reviews credit and operational risks while the Asset Liability Management Committee reviews policies in relation to investment strategy and other risks like interest rate risk and liquidity risk.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The company's internal control systems are adequate and provide, among other things, reasonable assurance of recording transactions of operations in all material respects and of providing protection against significant misuse or loss of company assets.

The Company has internal audit system to assess the adequacy of the internal controls procedures and processes, and their reports are reviewed by the Audit Committee of the Board. Policy and process corrections are undertaken based on inputs from the internal auditors.

FINANCIAL PERFORMANCE HIGHLIGHTS:

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India.

Table 1: Abridged Profit and Loss Account (` Lacs) - Standalone

Particulars	2010-2011	% of Total Income	2009-2010	% of Total Income
Revenue				
Income from Operation	286.77	98.56	10.83	49.27
Other Income	4.18	1.44	11.15	50.73
Total	290.95	100	21.98	100
Expenditure				
Employees Cost	39.48	13.59	16.13	73.38
Financial Expenses	1.00	0.34	1.52	6.92
Director Remuneration	18.00	6.18	21.00	95.54
Other Expenses	140.91	48.43	38.87	176.84
Total	199.39	68.54	77.52	352.68
Profit Before Tax	91.56	31.46	-55.54	-252.68
Tax- current & deferred	2.89	0.99	1.25	5.67
Profit after Tax	88.67	30.48	-56.79	-258.37
Earning per Shares (Basic)	0.70	--	-0.45	--
Earning per Shares (diluted)	0.71	--	-0.45	--

The revenues of the Company for the financial year under review were `290.95 lacs as compared to `21.98 lacs for the previous year. The net profit of the year under review was `88.67 lacs as against the net loss of `56.79 lacs in the previous year.

Table 2: Abridged Profit and Loss Account (` Lacs) - Consolidated

Particulars	2010-2011	% of Total Income	2009-2010	% of Total Income
Revenue				
Income from Operation	3157.94	97.99	1170.26	97.92
Other Income	64.62	2.01	24.82	2.08
Total	3222.56	100	1195.08	100
Expenditure				
Employees Cost	336.88	10.45	118.75	9.94
Financial Expenses	1703.04	52.85	793.11	66.36
Director Remuneration	25.43	0.79	27.00	2.26
Depreciation	12.32	0.38	6.19	0.52
Other Expenses	435.36	13.5	202.34	16.93
Total	2513.03	77.97	1147.39	96.01
Profit Before Tax	709.53	22.02	47.69	3.99
Tax- current & deferred	210.84	6.54	36.19	3.03
Profit after Tax	498.69	15.48	11.5	0.96
Earning per Shares (Basic)	3.93	---	0.09	---
Earning per Shares (diluted)	3.93	---	0.09	---

Performance of Subsidiaries:

- Systematix Shares And Stock (India) Limited

Particulars	As on March31, 2011	As on March 31, 2010	Growth %
Total revenues	3284.26	3244.76	1.22
EBIDT	380.14	534.99	-28.94
PBT	160.27	264.68	-39.44
PAT	112.28	147.56	-23.91

- Systematix Fincorp India Private Limited

Particulars	As on March31, 2011	As on March 31, 2010	Growth %
Total revenues	2785.79	1173.10	137.47
EBIDT	2283.70	895.06	155.14
PBT	626.17	103.24	506.5
PAT	422.03	68.42	516.82

- Systematix Commodities Services Private Limited

Particulars	As on March31, 2011	As on March 31, 2010	Growth %
Total revenues	320.27	230.87	38.72
EBIDT	47.72	25.50	87.14
PBT	42.72	20.93	104.11
PAT	29.20	13.47	116.78

• Systematix Finvest Private Limited

Particulars	As on March 31, 2011	As on March 31, 2010	Growth %
Total revenues	70.89	3.70	1815.94
EBIDT	48.65	-6.61	4865
PBT	4.50	-6.61	450
PAT	1.70	-6.82	170

HUMAN RESOURCES:

The Company continues to lay emphasis on developing and facilitating optimum human performance. Performance management was the key word for the Company this year. Recruitment process has been strengthened to ensure higher competence levels.

CAUTIONARY STATEMENT:

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, volatility in interest rates, new regulations and government policies that may impact the Company's business as well as its ability to implement the strategy. The Company does not undertake to update these statements.

Maharaj N.R. Suresh & Co.

Chartered Accountants

9, (Old 5), II Lane, II Main Road, Trustpuram, Chennai - 600 024.

Tel. : (044) 24837583, 24801322 Fax : 044-24813734 e-mail : nrsuresh@eth.net



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Systematix Corporate Services Limited

We have examined the compliance of conditions of Corporate Governance by Systematix Corporate Services Limited for the year ended 31st March 2011 as stipulated in the Clause 49 of the Listing Agreement of the said Company with the Stock Exchange(s).


The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the Compliance of 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 the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the guidance note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained and certified by the Company / Registrars and Transfer Agent of the Company, there were no investor grievances remaining unattended / pending for more than 30 days as at 31st March 2011.

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

For Maharaj N R Suresh And Co
FRN No.001931S
Chartered Accountants

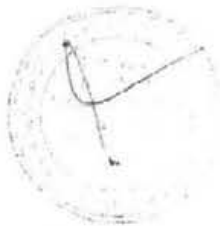

K. V. Srinivasan
Partner
Membership No.204368

Place: Chennai
Date: 18.06.2011

Maharaj N.R.Suresh and Co
Chartered Accountants

AUDITOR'S REPORT TO THE MEMBERS OF
M/S SYSTEMATIX CORPORATE SERVICES LIMITED

1. We have audited the attached Balance Sheet of M/s Systematix Corporate Services Limited as at 31st March 2011, the Profit And Loss Account and the Cash Flow Statement 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.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those 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.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those Books.
 - (iii) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.



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- (v) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give 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:
- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011
 - (b) in the case of the Profit and Loss Account, of the **PROFIT** for the year ended on that date; and
 - (c) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For Maharaj N R Suresh and Co
FRN NO:001931S
Chartered Accountants



K V Srinivasan
Partner
M.No:204368

Place : Mumbai
Date : 18.06.2011

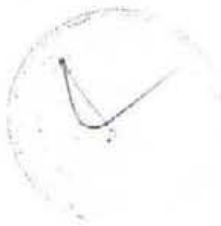


Annexure referred to in paragraph 3 of our report of even date.

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) No substantial part of fixed assets have been disposed off during the year.
- (ii) According to the information and explanations given to us, and having regard to the Company's business reporting on clause 4 (ii) a, 4 (ii) b, 4 (ii) c (relating to Inventory) of the Companies (Auditors report) order, 2003 as amended by Companies (Auditors Report) (amendment) order 2004, does not arise.
- (iii) (a) The Company has granted unsecured loan to two Companies covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 131.50 lakhs and the year end balance of loan granted to such party was Rs NIL.
- (b) In our opinion, the rate of interest and other terms and conditions of the said unsecured loans given by the company are not, prima facie prejudicial to the interests of the company.
- (c) Payment of Principal and Interest are in accordance with the terms as applicable.
- (d) The company has taken unsecured loans from Three Companies covered in the register maintained under section 301 of the companies Act, 1956. The maximum amount involved during the year was Rs 2322.83 lakhs and the year end balance of loans taken from such parties was RS 2017.00 lakhs.
- (e) In our opinion, the rate of interest and other terms and conditions of the said unsecured loan taken by the company are not, prima facie prejudicial to the interests of the company.
- (f) Payment of Principal and Interest are in accordance with the terms as applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business for the purchases of fixed assets and with regard to sale of Services. The Company has not made any sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.



- (v) a) The particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- b) The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable, having regard to the prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the Public.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) As per the explanation and information given to us, the company is not required to maintain cost records pursuant to Section 209 (1) of the Companies Act. Accordingly the clause 4 (viii) of the order is not applicable to the company.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, and other material statutory dues applicable to it. The provisions of Provident Fund, Employees' State Insurance Act are not applicable to the Company. No amount is payable to Investor Education and Protection Fund.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty, Service Tax and cess were in arrears, as at 31st March 2011 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of Sale Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax and cess, which have not been deposited on account of any dispute
- (x) In our opinion the Accumulated Losses of the Company are not more than 50% of its Net worth. The company has not incurred cash losses during the financial year covered by our audit and has incurred cash loss in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holder.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi / mutual benefit fund / society.




- (xiv) The Company in respect of Investment in shares, we are of the opinion that proper records have been maintained of the transaction and contracts and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other securities in its own name.
- (xv) In our Opinion and according to the information and explanation given to us, the terms and conditions of the guarantees given by the Company for Guarantee /Loan taken by others from banks are not prime facie prejudicial to the Interest of the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year and according clause 4 (xvi) of the order relating to the application of term loan is not applicable to the company.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) The company has made preferential allotment of Shares to parties and companies covered in the register maintained under section 301 of the Act. In our opinion, the price at which shares have been made is not prejudicial to the Interest of the Company.
- (xix) According to the information and explanation given to us, during the period covered by our audit report, the Company has issued 3 03 667 Unsecured optionally fully convertible debentures (OFCD) of Rs 250 each. As the debentures are unsecured creating of Security does not arise.
- (xx) The company has not raised money by public issues during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Maharaj N R Suresh and Co
FRN NO: 001931S
Chartered Accountants



K V SRINIVASAN
Partner
M. No 204368

Place: Mumbai
Date: 18.06.2011



SYSTEMATIX CORPORATE SERVICES LTD.
BALANCE SHEET AS ON 31ST MARCH 2011

Particulars	Schedule	As at	As at
		31.03.2011	31.03.2010
		RS	RS
I SOURCES OF FUNDS			
1 Shareholders Funds -			
(a) Share Capital	1	130495080	125987000
(b) Reserves & Surplus	2	209365520	102863600
2 Loan Funds			
Unsecured Loans	3	277616663	79525324
3 Deferred Tax Liability		330000	90000
TOTAL		617807263	308465924
II APPLICATION OF FUNDS			
1 Fixed Assets -	4		
Gross Block		29587814	14399433
Less : Depreciation		10297702	9516411
Net Block		19290112	4883022
2 Investments	5	595014000	298058450
3 Current Assets, Loans & Advances -			
(a) Sundry Debtors	6	73388	56650
(b) Cash & Bank Balances	7	2062989	635559
(c) Loans & Advances	8	11994499	5987973
		14130876	6680182
Less: Current Liabilities & Provisions			
(a) Current Liabilities	9	11528242	11033937
		11528242	11033937
Net Current Assets		2602633	(4353755)
4 Profit & Loss Account			
Debit Balance in Profit&Loss Account	10	900517	9878207
TOTAL		617807263	308465924

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Note: Schedule 1 to 10 and Notes in Schedule 15 form part of this Balance Sheet

Vide Our report of date attached
For Maharaj N R Suresh and Co
FRN NO:001931S
Chartered Accountants

For and on behalf of the Board of Directors

K V SRINIVASAN
Partner
M.NO 204368

C P Khandelwal
(Director)

Sunil Sarma
(Director)

Place: Mumbai
Date :18.06.2011


VRMHS Prasad Sanka
Company Secretary

SYSTEMATIX CORPORATE SERVICES LTD.
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

Particulars	Schedule	Year Ended	Year Ended
		31.03.2011	31.03.2010
		RS	RS
INCOME			
Income from Operations	11	28677269	1083134
Other Income	12	417952	1115167
TOTAL		29095221	2198301
EXPENDITURE			
Employees Cost	13	3948262	1612765
Director Remuneration		1800000	2100000
Administrative Expenses	14	13309628	3291665
TOTAL		19057890	7004430
Profit Before Interest and depreciation		10037331	-4806129
Interest		99836	152870
Depreciation		781291	595777
Profit Before Tax		9156204	-5554776
Provision For Tax			
Current Tax			
- Minimum Alternate Tax (Mat) Payable	1697560		0
- Mat Credit Entitlement	1648117	49443	
- Deferred Tax		240000	125200
Profit/(Loss) after Tax		8866762	-5679976
Income Tax Relating To earlier Year		110928	-456654
Surplus from Previous Year		-14324964	-8188334
Balance Carried over to Balance Sheet		-5347274	-14324964
Basic EPS		0.70	-0.45
Diluted EPS		0.71	-0.45

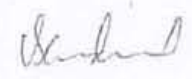
Note: Schedule 11 to 14 and Notes in Schedule 13 form part of this Profit & Loss Account.

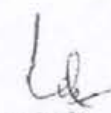
Vide Our report of date attached
For Maharaj N R Suresh and Co
FRN NO:001931S
Chartered Accountants

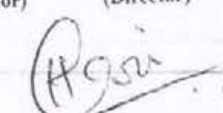

K V SRINIVASAN
Partner
M.NO 204368

Place: Mumbai
Date: 18.06.2011

For and on behalf of the Board of Directors


C P Khandelwal
(Director)


Sunil Sarda
(Director)


V R N H S Prasad Sanka
Company Secretary

SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2011

Particulars	As at 31.03.2011 RS	As at 31.03.2010 RS
Schedule - 1 <u>Share Capital</u>		
Authorized:		
2,50,00,000 Equity Shares of Rs.10/- each	250000000	250000000
Issued and Subscribed:		
1 31 22 558 Equity Shares of Rs.10/-each (Previous year 1 26 78 800 Equity shares of Rs 10/-each)	131225580	126788000
Paid Up:		
1 31 22 558 Equity Shares of Rs.10/- each fully paid up (Previous Year 1 26 78 800 Equity Shares Of Rs.10/- each)	131225580	126788000
Less:- Calls in arrears other than Directors	730500	801000
Total	130495080	125987000

Of The Above Equity Shares:

4 43 758 Equity Shares were allotted for
Consideration other than Cash. (See Note II (i))

Schedule - 2 Reserves And Surplus

Capital Reserve		
As per last balance sheet	22863600	22863600
Share Premium		
As per last balance sheet	80000000	
Add:		
Addition during the year	106501920	80000000
Total	209365520	102863600

Schedule - 3 Unsecured Loans

Optionally Fully Convertible Debtures (OFCD) (See Note:II (i))	75916750	0
Short Term Loans		
From Companies	0	2685411
Other loans		
From Companies	201699913	76839913
Total	277616663	79525324



SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2011

Schedule - 4

Fixed Assets

(Amount in Rs)

Description	Cost as at 1.4.2010	Gross Block			Depreciation			Total	Net Block	
		Additions during the Year	Deductions during the Year	Cost as at 31.03.2011	As at 1.4.2010	For the year	Withdrawn		As at 31.03.2011	As at 31.3.2010
Office Equipments	1225740	1740405	0	2966145	1084987	373281	0	1458268	1507877	140753
Furniture & Fixtures	5767741	13037291	0	18805032	4184799	57432	0	4242231	14562801	1582942
Computer	2755996	184585	0	2940581	2659552	7132	0	2666684	273897	96444
EPABX	237732	226100	0	463832	235462	3001	0	238463	225369	2270
Air Conditioner	828595	0	0	828595	769421	0	0	769421	59174	59174
Vehicle	3583629	0	0	3583629	582190	340445	0	922635	2660994	3001439
Total	14399433	15188381	0	29587814	9516411	781291	0	10297702	19290112	4883022
Previous Year	14441043	1490218	1531828	14399433	10501159	595777	1580525	9516409	4883022	3939885

SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2011

	As at 31.03.2011 RS	As at 31.03.2010 RS
Schedule - 5 Investments - Long Term		
Unquoted		
Wholly Owned Subsidiary		
Systematix Fincorp India Limited		
16 74 845 Equity Shares of Rs 10/-each fully paid up	142758450	142758450
Systematix Finvest Pvt.Ltd.		
1 87 820 Equity Shares of Rs 100/-each fully paid up (Previous Year Nil)	110099300	0
Other Subsidiary		
Systematix Shares & Stocks (I) Ltd.		
11 69 000 Equity Shares of. Rs. 10/- each fully paid up ADD: Acquired during the year	155300000 <u>186856250</u>	 <u>155300000</u>
29 89 700 Equity shares of Rs 10/-each fully paid up		
Total	<u>595014000</u>	<u>298058450</u>
Schedule - 6 Sundry Debtors		
Unsecured Considered Good		
Exceeding Six months	20600	0
Other debts	52788	56650
Total	<u>73388</u>	<u>56650</u>
Schedule - 7 Cash & Bank Balances		
Cash Balance		
Cash on hand	51020	1921
Balance with Banks		
Balance with Scheduled Banks - in Current Accounts	2011969	633638
Total	<u>2062989</u>	<u>635559</u>
Schedule - 8 Loans & Advances		
Advances recoverable in cash or in kind or value to be received Unsecured Considered Good		
Deposits	6536075	2723000
Tax Payment Pending Adjustments	1640714	524664
Due from Subsidiary	74000	0
Mat Credit Entitlement	1648117	0
Others	2095592	2740309
Total	<u>11994499</u>	<u>5987973</u>
Schedule - 9 Current Liabilities		
Sundry Creditors		
-Total outstanding dues To Micro Enterprises and Small enterprise		
-Total outstanding dues of Creditors other than Micro Enterprises and Small enterprise	11438390	11033937
Interest accrued but not due	89852	0
Total	<u>11528242</u>	<u>11033937</u>
Note: 1) There is no amount due and outstanding to be credited to investor Education and protection fund		
Schedule - 10 Profit & Loss Account		
Debit Balance in Profit&Loss Account	5347274	14324904
Less: General Reserve	4448757	4448757
Total	<u>900517</u>	<u>9878207</u>

SYSTEMATIX CORPORATE SERVICES LTD.

SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2011

	Year Ended 31.03.2011	Year Ended 31.03.2010
	RS	RS
Schedule - 11		
<u>Income from Operations</u>		
Financial Advisory Services	28677269	1083134
Total	28677269	1083134
Schedule - 12		
<u>Other Income</u>		
Interest	54695	961470
Profit on Sale of Assets	0	153697
Others	363257	0
Total	417952	1115167
Schedule - 13		
<u>Employees Cost</u>		
Salaries Bonus & Allowance	3948262	1612765
Total	3948262	1612765
Schedule - 14		
<u>Administrative Expenses</u>		
Rent	7364100	2381334
Rates & Taxes	447961	158778
Electricity Charges	108088	0
Advertisement	430268	49764
Travelling & Conveyance	76262	29462
Repairs & maintenance	364223	52960
Postage, Telephone & Trunkcalls	234608	24673
Printing & Stationery	219766	18292
Professional & Consultancy	2169000	113020
Insurance Charges	41003	46094
Auditors Remuneration	40000	37950
Commission/Brokerage	1271025	190000
Listing Fees	33109	34715
Other Expenses	510215	154623
Total	13309628	3291665



SYSTEMATIX CORPORATE SERVICES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2011


Particulars	31.03.2011 RS	31.03.2010 RS
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary items	9156204	-5554776
Adjustments for :-		
1 Depreciation	781291	595777
2 Interest/Dividend Received	-54695	-961470
3 Loss (Profit) on Sale of Fixed Assets	0	-153697
4 Loss (Profit) on Sale of Investments	0	0
Operating profit before working capital changes	9882801	-6074166
Adjustments for :-		
1 Trade and other Receivables	-5961778	29958480
2 Trade and other Payables	494305	-258852
Cash Generated from operation	4415328	23625462
1 Interest Paid	99836	152870
Cash Flow Before extraordinary items	4515164	23778332
1 Extraordinary items	0	0
Net Cash from/ (Used) in Operating activities	4515164	23778332
B CASH FLOW FROM INVESTING ACTIVITIES		
1 Purchase of Fixed Assets	-15188381	-1490218
2 Sale of Fixed Assets	0	105000
3 Purchase of Investments	-110099300	-100000000
and increase in share application money		
4 Interest /Dividend received	54695	961470
Net Cash from/ (Used) in investing activities	-125232986	-100423748
C CASH FLOW FROM FINANCIANG ACTIVITIES		
1 Proceeds from issue of share capital	70500	0
2 Proceeds from long and short term borrowings	122174589	76977496
3 Interest Paid	-99836	-152870
Net Cash from financiang activities	122145253	76824626
Net increase in Cash and Cash equivalents (A+B+C)	1427430	179210
Cash and Cash equivalents as (Opening Balance)	635559	456349
Cash and Cash equivalents as (Closing Balance)	2062989	635559
	0	0


Vide Our report of date attached

For Maharaj N R Suresh and Co
Chartered Accountants
ICAI Registaration No.001931S

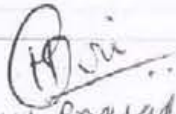

K V SRINIVASAN
Partner
M.No 204368

For aud on behalf of the Board of Directors


C P Khandelwal
Director


Sunil Sarda
Director

Place: Mumbai
Date :18.06.2011


V R N H Prasad Santha
Company Secretary

Schedule 15

Notes forming part of the Balance Sheet as at 31st March 2011 and Profit and Loss account for the year ended 31st March 2011.

D) Significant Accounting Policies

A) General

The Financial statements have been prepared on the historical Cost Convention and in accordance with Generally Accepted Accounting Principles and complying with the applicable Accounting Standards.

B) Fixed Assets

Fixed Assets are stated at cost less Depreciation. Cost of acquisition is inclusive of Freight, duties, installation and other incidental expenses net of CENVAT Credit if any applicable.

C) Depreciation

Depreciation has been provided on straight line method, in accordance with the Provisions of the Companies Act, 1956 at the rates prescribed in Schedule XIV to the Companies Act, 1956.

D) Investments

Long Term Investments are valued at cost. Any diminution in the value of Long term Investments is charged to Profit and Loss Account, if such a decline is other than temporary in the opinion of the management.

E) Revenue and Expenditure Recognition

Revenue is recognized and expenditure is accounted for on their accrual.

Income is recognized on Work Completed and billed on Customers.

F) Retirement Benefits

No Provision for Gratuity has been made as no employee has put in the qualifying period of service for entitlement of this benefit.

G) Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income tax Act, 1961. Deferred tax is recognized, on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one more subsequent period. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that there will be sufficient future taxable income available against which such deferred tax asset can be realized.



H) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Contingent Liabilities are disclosed, unless the possibility of any outflow in settlement is remote, in the Notes on Accounts. Contingent Assets are neither recognized nor disclosed.

II) NOTES ON ACCOUNTS

I) SHARE CAPITAL AND OPTIONAL CONVERTIBLE DEBENTURE

- i) During the year the company has allotted 4 43 758 nos of equity shares of the face value of Rs 10/-each at Rs 250/- per share and 3 03 667 nos of Optionally Fully convertible Debenture (OFCD'S) face value of Rs 250/- (Rs: Two hundred and Fifty only) to the shareholders of Systematix Shares & Stocks (I) Limited (SSSIL) as a Consideration against acquisition of 29 89 700 nos shares of SSSIL.
- ii) OFCD,s are allotted on 24/03/2011 and carry a coupon rate of 6%.
- iii) OFCD, s will be convertible in to one equity share of the company at the option of the OFCD, s holder within period of 18 Months from the date of allotment of the OFCD,s failing which the OFCD,s will be eligible for redemption at the par value of Rs 250/- per OFCD,s at the end of the said 18 Months.

	Rs in lakhs	
	31.3.2011	31.03.2010
2) Contingent Liabilities:		
Contingent Liabilities on account of Guarantees given to banks o behalf Group Companies	8750	6800

	Amount in Rs.	
	31.3.2011	31.03.2010
3) Auditors Remuneration:		
Statutory Audit	40 000	37 950

4) The management has initiated the process of identifying enterprises which have provided goods and services to the company under the definition of micro and small enterprises, as defined under Macro, Small and Medium enterprises Development Act,2006. Accordingly the disclosure in respect of amounts payable to such enterprises as at March 31,2011 has been made in the financial statements based on the information received and available with the company. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	Year ended	Year ended
	31.03.2011	31.03.2010
a) Amount due and outstanding to suppliers as at the end of accounting year	NIL	NIL
b) Interest paid during the year	NIL	NIL
c) Interest payable at the end of the accounting year	NIL	NIL
d) Interest accrued and unpaid at the end of the accounting year	NIL	NIL

The Company is making efforts to get the confirmation from the suppliers as regards their status under the Act.

5) Loans and advances include

i) Amount due from Private Companies in which one or more directors of the Company are interested.

Thirdwave Mercantile Co Pvt Ltd	Rs 1 357
(Maximum due anytime during the Year)	Rs 55 00 000

ii) Amount due from Director

	Current Year Rs.	Previous Year Rs.
Mr C P Khandelwal	15 00 000	0
(Maximum due anytime during the year)	15 00 000	0

Excess remuneration paid during the year Reversed and Since Recovered from director.

6) (a) Managerial remuneration under section 198 of the Companies Act, 1956

Remuneration to Managerial personal, paid in accordance with Schedule XIII to Companies Act, 1956

Particulars	Amount in Rs	
	31.3.2011	31.3.2010
C.P.Khandelwal, Chairman	9 00 000	12 00 000
Ramesh Raizada, Managing Director	9 00 000	9 00 000

(b) Computation of Net profit in accordance
With section 198 and 309 of the Companies, Act 1956:

Particulars	Amount in Rs	
	2010-11	2009-10
Net Profit/(Loss) before taxation	91 56 204	(55 54 776)
Add:		
Remuneration to whole time Directors	18,00,000	21 00 000
Net profit U/S 198 of the Companies Act,1956	1 09 56 204	(34 54 776)
Remuneration Entitlement to Managerial Person	10 95 620	-

7) Basic & Diluted Earnings per share:

Particulars	2010-11	2009-10
Net Profit/(Loss) attributable to equity share holders	88,66,762	(56 79 976)
Weighted Average of Equity shares	1 26 88 526 (face value of Rs.10/- each)	1 26 78 800 (face value of Rs.10/- each)
Basic Earnings Per Share	0.70	(0.45)
Net Profit/(Loss) attributable to equity share holders	88,66,762	(56 79 976)
Add: Interest on debenture	99 836	0
Adjusted Net profit for Diluted EPS	89,66,598	(56 79 976)
Weighted Number of equity shares outstanding for Diluted EPS	1 26 95 182 (face value of Rs.10/- each)	1 26 78 800 (face value of Rs.10/- each)
Diluted Earnings Per share	0.71	(0.45)

In the absence of details the calls in arrears EPS is calculated as if the shares are fully paid up.

8) Deferred Tax Liability

	31.03.2011 (Rs in Lakhs)	31.03.2010 (Rs in Lakhs)
Deferred Tax liability on account of Depreciation	3.30	0.90

9) Related Party Transactions:

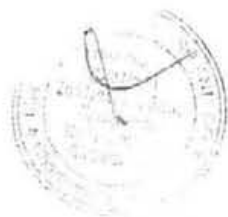
D) Names of Transacting Related Parties

A) Wholly Owned Subsidiaries

- Systematix Fincorp India Limited
- Systematix Finvest Private Limited

B) Subsidiary Company

- Systematix Shares & Stocks (I) Limited
- Systematix Commodities Services Private Limited



C) Associate and Group Companies

- Systematix Capital Services Private Limited
- CEEPEEK Real Estate Limited
- Rangsharda Properties Private Limited
- Shubhamangalam Real Estate Limited
- Snehavardhini Real Estate Limited
- Tek Point Properties Private Limited
- Funsign Real Estate Limited
- Superstar Exports Private Limited.
- Topcity Trading Company Private Limited
- Riteplaza Trading Company Private Limited
- Magicline Trading Company Private Limited
- Goldflag Exports Private Limited
- Goldline Trading Company Private Limited
- Thirdwave Merchantile Company Private Limited
- SQL Star International Limited
- Shivsakthi Realestate Limited
- Southern Wind Farm Limited
- Nikunj Mercantile Private Limited

Entities where Control Exists

- Mahesh C Solanki & Co

Key Managerial Personnel

Mr.C.P.Khandelwal
Mr.Ramesh Raizada

II) A description of the relationship between related parties: Presumption of Significant Influence.

III) Transaction detail

Name of the Related party	Description of Transaction and amount during the year		Amount outstanding
	Rs in lakhs		
Superstar Exports Limited	Payment of dues	139.90	--
Superstar Exports Limited	Availment of loan	1388.50	(CR) 2017.00
Superstar Exports Limited	Share Allotted for Consideration other than cash. (94 994 equity shares)		
	OFCD,s Allotted for Consideration Other than cash (65 006 OFCD,s)		
Topcity trading Company private Limited	Dues paid	1.43	--
Riteplaza Trading Company Private Limited	Dues paid	25.42	--
Systematix Capital Services Private Limited	Loan Given	76.50	}
	Loan Received	76.50	
Systematix Capital Services Private Limited	Loan Received	198.50	}
	Loan Repaid	198.50	

Systematix Shares & Stocks (I) Ltd (Exps)	Dues Received	22.87	--
Systematix Shares & Stocks (I) Ltd (Exps)	Dues paid	22.87	--
Systematix Finvest Pvt. Ltd.	Investment in Equity shares	1100.99	(DR) 1100.99
Thirdwave Merchantile Co. Pvt. Ltd.	Loan Given	55.00	
Thirdwave Merchantile Co. Pvt. Ltd.	Dues Recd	55.00	--
Thirdwave Merchantile Co. Pvt. Ltd	Interest Received	0.01	(DR) 0.01
Systematix Shares & Stocks (I) Ltd & Systematix Commodities Private Limited	Guarantee for BG	8750.00	
Mahesh C Solanki & Co	Professional Fees	0.75	--
Mr. C. P. Khandelwal	Remuneration	9.00	(DR) 15.00
Mr. C. P. Khandelwal	Share Allotted for Consideration other than cash. (100 715 equity shares)		
Mr. C. P. Khandelwal	OFCD,s Allotted for Consideration Other than cash (68 550 OFCD,s)		
Smt Geeta Devi Khandelwal	Share Allotted for Consideration other than cash. (2 07 786 equity shares)		
	OFCD,s Allotted for Consideration Other than cash. (1 42 189 OFCD,s)		
Mrs Anju Khandelwal	Share Allotted for Consideration other than cash. (40 803 equity shares)		
	OFCD,s Allotted for Consideration Other than cash. (27 922 OFCD,s)		
Mr. Ramesh Raizada	Remuneration	9.00	

10) The Company has not obtained Confirmation of balance from Sundry Debtors, Loans and advances, Sundry creditors.

11) Previous year figures have been regrouped wherever necessary.

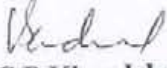
12) Paise have been rounded off to the nearest rupee.

13) Other items required to be disclosed as per Para 4A, 4C & 4D of Part II of Schedule VI of the Companies Act, 1956 Nil.


Vide our report of date attached

For MAHARAJ N.R.Suresh & Co
FRN NO: 001931S
DIRECTORS
Chartered Accountants

K V SRINIVASAN
Partner
M.NO:204368
Place: Mumbai
Date: 18.06.2011


C P Khandelwal


Sunil Sarma


Prasad Sanka
Company Secretary



Auditor's Report on the Consolidated Financial Statements of Systematix Corporate Services Limited and its Subsidiaries

To
The Board of Directors of
Systematix Corporate Services Limited

1) We have audited the attached Consolidated Balance Sheet of Systematix Corporate Services Limited and its subsidiaries (collectively referred as the "Systematix Group") as at 31st March, 2011, the consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. 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.

3) We report that the 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.

4) In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- i) In the case of the Consolidated Balance Sheet, of the state of affairs of the Systematix Corporate Services Ltd Group, as at 31st March 2011
- ii) In the case of the Consolidated Profit and Loss Account, of the profit of the Systematix Corporate Services Ltd Group for the year ended on that date.
- iii) In the case of Consolidated Cash Flow Statement, of the cash flows of the Systematix Corporate Services Ltd Group for the year ended on that date.

For Maharaj N.R. Suresh & Co.
FRN NO: 001931S
Chartered Accountants

Place: Mumbai
Dated: 18-06-2011



K.V. Srinivasan
Partner
M. No: 204368

SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2011

Particulars	Schedule	Consolidated As at 31.03.2011 RS	Consolidated As at 31.03.2010 RS
I SOURCES OF FUNDS			
1 Shareholders Funds -			
(a) Share Capital	1	130495080	125987000
(b) Reserves & Surplus	2	333314943	105519570
2 Loan Funds			
Secured Loans	3	972677855	681473289
Unsecured Loans	4	451456878	135927312
3 Deffered Tax Liability		13657900	0
Minority Interest		5068000	0
TOTAL		<u>1906670656</u>	<u>1048907171</u>
II APPLICATION OF FUNDS			
1 Goodwill		23514550	0
2 Fixed Assets -			
Gross Block	5	198980545	14681395
Less : Depreciation		87226344	9544865
Net Block		<u>111754201</u>	<u>5136530</u>
3 Investments	6	877	155320000
4 Current Assets, Loans & Advances -			
(a) Sundry Debtors	7	258706289	207897
(b) Cash & Bank Balances	8	414986004	4555719
(c) Loans, Advances & Deposits	9	1521592311	925698142
		<u>2195284604</u>	<u>930461758</u>
Less: Current Liabilities & Provisions			
(a) Current Liabilities	10	410280710	42767054
(b) Provisions		14933866	380064
		<u>425214576</u>	<u>43147118</u>
Net Current Assets		<u>1770070028</u>	<u>887314640</u>
5 Deferred Tax Asset		1331000	1136000
TOTAL		<u>1906670656</u>	<u>1048907171</u>


Note: Schedule 1 to 10 and Notes in Schedule 16 form part of this Balance Sheet


Vide Our report of date attached
For Maharaj N R Suresh and Co
FRN NO:001931S
Chartered Accountants

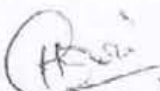

K V SRINIVASAN
Partner
M.NO 204368

Place: Mumbai
Date : 18-06-2011

For and on behalf of the Board of Directors


C P Khandelwal
Director


Sunil Sarda
Director


Y R N S Prasad Banta
Company Secretary

SYSTEMATIX CORPORATE SERVICES LTD.

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2011

(Amount in Rs.)


Particulars	Schedule	Consolidated For Year Ended 31.03.2011	Consolidated For Year Ended 31.03.2010
INCOME			
Income from Operations	11	315794150	117026386
Other Income	12	6461689	2482387
TOTAL		322255839	119508774
EXPENDITURE			
Employees Cost	13	33687894	11875173
Director Remuneration		2543419	2700000
Administrative Expenses	14	42198252	15858471
Operating Expenses	15	2240986	0
Provision for Non-Performing Assets		116	0
Provision No Longer Required		-4376700	4375509
Provision on Standard Assets		3473232	0
TOTAL		79767199	34809153
Profit Before Interest and Depreciaton		242488640	84699620
Interest		170304893	79311654
Depreciation		1232108	618519
Profit Before Tax		70951639	4769447
Provision for			
- Current Tax		20949443	4720000
- Deferred Tax		135000	(1,100,800)
Profit after Tax		49867196	1150247
Income Tax Relating To earlier Year		110928	(444857)
Surplus from Previous Year		36697757	(3511343)
Prior Period Items		(100993)	0
Appropriations:			
Transfer to Special Reserve		8485000	1370000
Balance carried		78291874	(4175953)
Basic EPS		3.93	0.09
Diluted EPS		3.93	0.09

Note: Schedule 11 to 15 and Notes in Schedule 16 form part of this Profit & Loss Account.

Vide Our report of date attached
For Maharaj N R Suresh and Co
FRN NO:001931S
Chartered Accountants

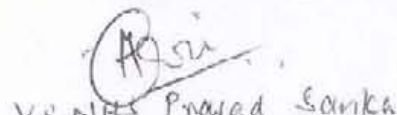

R.V. SRINIVASAN
Partner
M.NO 204368

For and on behalf of the Board of Directors


C P Khandelwal
Director


Sunil Sarda
Director

Place: Mumbai
Date : 18-06-2011


V.R.N.H.S Prasad Sanka
Company Secretary

SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT 31.03.2011

Particulars	(Amount in Rs.)	
	Consolidated As at 31.03.2011	Consolidated As at 31.03.2010
Schedule - 1 Share Capital		
Authorized:		
2,50,00,000 Equity Shares of Rs.10/- each	250000000	250000000
Issued and Subscribed:		
1 31 22 558 Equity Shares of Rs.10/-each (Previous Year 1 26 78 800 Equity Shares of Rs 10/- each)	131225580	126788000
Paid Up:		
13122558 Equity Shares of Rs.10/- each fully paid up (Previous Year 1 26 78 800 Equity Shares of Rs 10/- each)	131225580	126788000
Less:- Calls in arrears other than Directors	730500	801000
500000 6% Redeemable Preference shares of Rs. 10 each	130495080	125987000
	0	0
Total	130495080	125987000
Schedule - 2 Reserves And Surplus		
Preference Share Capital Redemption Reserve	26000000	0
Capital Reserve		
As per last balance sheet	22863600	22863600
Share Premium		
As per last balance sheet	186501920	80000000
General Reserve		
As per last balance sheet	0	8819265
	8819265	4267311
Special Reserve		
Opening Balance	2564613	
Add: Transfer from Profit & Loss Account	8485000	11049613
	11049613	2564613
Surplus in Profit & Loss Account		
Balance In Profit And Loss A/C	78291874	
Less:		
Transitional Liability Adjusted*	-211329	78080545
	78080545	(4175953)
Total	333314943	105519570
*Adjustment consequent to recomputation of Gratuity Liability as of 01.04.2009 in accordance with Accounting Standard 15-Employee Benefit.		
Schedule - 3 Secured Loans		
From Others	0	0
(see Note 2n)	972677855	681473289
Total	972677855	681473289
Schedule - 4 Un Secured Loans		
Optionally Fully Convertible Debentures (OFCD)	75916750	0
Short Term Loans		
From Companies	0	59087399
Long Term Loans		
From Companies	375540128	76839913
Total	451456878	135927312



SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES CONSOLIDATED TO BALANCE SHEET AS AT 31ST MARCH 2011

Schedule-5 Fixed Assets

Description	Cost as at 1.4.2010	Gross Block			Cost as at 31.03.2011	As at 1.4.2010	Depreciation			Net Block		
		Additions during the Year	Deductions during the Year				For the Year	Written Back	Up to 31.03.2011	As at 31.03.2011	As at 31.3.2010	
A. TANGIBLE ASSETS												
Buildings	4,748,503	-	-	-	4,748,503	656,898	77,401	-	734,299	-	4,014,294	-
Furniture & Fixtures	22,849,344	14,104,638	(12,513)	-	36,941,469	7,990,025	1,182,325	3,958	9,168,390	3,958	27,773,079	1,707,455
Computer	2,784,076	184,585	-	-	2,968,661	2,669,795	11,684	-	2,681,477	-	287,184	1,14,282
Computer Software	-	-	-	-	-	-	-	-	-	-	-	-
EPABX	237,732	226,100	-	-	463,832	235,462	3,001	-	238,463	-	225,369	2,270
Plant & Machinery	99,211,053	8,950,747	(722,250)	-	107,889,550	31,394,338	11,532,346	47,771	42,878,513	47,771	65,010,637	311,073
Vehicle	15,741,343	2,999,654	(432,467)	-	18,268,530	2,330,928	1,604,272	110,309	3,824,931	110,309	14,443,639	3,001,440
A. INTANGIBLE ASSETS												
Membership in Bombay Stock Exchange	27,700,000	-	-	-	27,700,000	27,700,000	-	-	27,700,000	-	-	-
Total	173,172,064	26,628,724	(717,230)	-	198,980,548	72,977,354	14,411,027	162,038	87,286,544	162,038	111,784,301	5,136,530
Previous Year	14,607,085	1,611,138	1,431,838	-	14,681,195	10,406,871	618,519	1,580,525	9,544,865	-	5,136,530	4,095,214

SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT 31.03.2011

SCHEDULE - 6
INVESTMENTS

(Amount in Rs.)

	Consolidated As at 31.03.2011	Consolidated As at 31.03.2010
QUOTED-CURRENT INVESTMENTS		
Growth Funds:		
Reliance Liquid Fund (Treasury Plan - Retail Option)	-	20,000
TOTAL	-	20,000
UNQUOTED-LONG TERM		
The Bombay Stock Exchange limited (11401 Equity shares of Rs. 1 each)	877	-
Systematix Shares & Stocks (I) Ltd. (Previous year 11 69 000 Equity Shares of Rs 10/- each fully paid up)	-	155,300,000
TOTAL	877	155,300,000
GRAND TOTAL	877	155,320,000

SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES TO CONSOLIDATED BALANCE SHEET AS AT 31.03.2011

(Amount in Rs.)

	Consolidated As at 31.03.2011	Consolidated As at 31.03.2010
Schedule - 7 Sundry Debtors		
Unsecured Considered Good	-	-
Exceeding Six Months	11,753,784	-
Considered Doubtful	3,155,388	-
Other debts	246,932,505	207,897
	<u>261,861,677</u>	<u>207,897</u>
Less:		
Provision for Doubtful Debts	3,155,388	-
Total	<u>258,706,289</u>	<u>207,897</u>
Schedule - 8 Cash & Bank Balances		
Cash Balance		
Cash on hand	1,148,781	878,205
Balance with Banks		
Balance with Scheduled Banks		
- in Current Accounts	116,368,039	3,677,514
- in Deposit Accounts	297,469,184	-
Total	<u>414,986,004</u>	<u>4,555,719</u>
Schedule - 9 Loans Advances & Deposits		
Advances recoverable in cash or in kind or value to be recd.		
STANDARD ASSETS	640,166,607	-
SECURED CONSIDERED GOOD		
Loans Against Shares	688,333,660	748,832,765
SUB-STANDARD ASSETS		
Non-Performing Assets	1313	
Less:		
Provision for NPA	<u>116</u>	1,197
UNSECURED CONSIDERED GOOD		
STANDARD ASSETS		
Loans	60,790,941	73,123,319
SUB STANDARD ASSETS		
Non performing assets	-	22,188,245
Tax Payment Pending Adjustments	30,211,556	14,678,298
Deposits	75,540,465	27,723,000
Inter Corporate Loans	-	-
Mat credit entitlement	1,648,117	6,632,035
Others	<u>24,899,768</u>	-
Total	<u>1,521,592,311</u>	<u>925,698,142</u>
Schedule - 10 Current Liabilities		
Sundry Creditors		
-Total outstanding dues To Micro Enterprises and Small enterprise	-	-
-Total outstanding dues of Creditors other than Micro Enterprises and Small enterprise	383,612,510	42,767,054
Security Deposits	26,578,348	-
Others	<u>89,852</u>	-
Total	<u>410,280,710</u>	<u>42,767,054</u>
Note:		
There is no amount due and outstanding to be credited to Investor Education and Protection Fund		
PROVISIONS		
Gratuity	10,903,708	380,064
Standard Assets	3,473,232	-
Taxation	556,926	-
Total	<u>14,933,866</u>	<u>380,064</u>



SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT FOR
THE YEAR ENDED 31ST MARCH 2011

Particulars	(Amount in Rs.)	
	Consolidated For Year Ended 31.03.2011	Consolidated For Year Ended 31.03.2010
Schedule - 11		
Income from Operations		
Financial Advisory Services	28,677,269	1,083,134
Brokerage & Services	6,867,945	-
Interest Received	272,243,436	115,913,136
Professional Fees	8,000,000	-
Registration Charges	5,500	30,116
Total	315,794,150	117,026,386
Schedule - 12		
Other Income		
Interest	1,461,643	1,123,474
Dividend	61,003	91,065
Referral Fee	3,628,491	-
Profit on sale of Assets	-	153,697
Profit on sale of bonds	152,169	-
Others	404,710	502
AMC charges recovered	3,887	1,113,649
Misc Income	749,786	-
Total	6,461,689	2,482,387
Schedule - 13		
Employees Cost		
Salaries, Bonus & Allowances	31,341,123	11,674,555
Contribution to Provident Fund & Esic	15,321	-
Staff Welfare	52,891	-
Contribution to Gratuity	2,278,559	200,618
Total	33,687,894	11,875,173



SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT FOR
THE YEAR ENDED 31ST MARCH 2011

Particulars	(Amount in Rs.)	
	Consolidated For Year Ended 31.03.2011	Consolidated For Year Ended 31.03.2010
Schedule - 14		
Administrative Expenses		
Rent	17,882,798	6,606,571
Rates & Taxes	460,581	262,231
Electricity Charges	3,886,737	3,080,043
Travelling & Conveyance	3,123,277	759,872
Repairs & maintenance	443,558	55,290
Postage, Telephone & Internet expenses	632,454	59,658
Printing & Stationery	2,871,634	-
Professional & Consultancy	3,940,887	1,196,520
Stamping Charges	359,339	89,592
Custodian Charges	251,336	237,190
Insurance Charges	73,227	46,093
Business Promotion Expenses	2,519,437	-
Donation	13	-
Membership & Subscription	67,156	-
Auditors Remuneration	102,453	75,900
Loss on Sales of Fixed Assets	14,179	14,912
Bad Debts Written off	1,875,438	640,000
Provision for Bad & Doubtful Debts	68,863	-
Commission/Brokerage	1,271,025	-
Office Maintenance	-	2,734,600
Listing Fees	33,109	-
Transaction Charges	164,156	-
Other Expenses	2,156,595	-
Total	42,198,252	15,858,471

Schedule - 15

Operating Expenses

Stamp Duty	50,712	-
Demat Charges	30,399	-
SEBI Charges	14,379	-
Connectivity Expenses	234,356	-
Commission on Brokerage	75,809	-
Remissier Charges	1,660,785	-
Transaction Charges	143,973	-
Other Operative Expenses	30,573	-
Total	2,240,986	-



SYSTEMATIX CORPORATE SERVICES LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2011

	2010-11 RS	2009-10 RS
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extra ordinary items	70951639	4769446
Adjustments for :-		
1 Depreciation	1232108	618519
2 Interest/Dividend Received	1522646	961470
3 Loss/(Profit) on Sale of Investments	0	0
4 Profit on Sale of Assets	0	(153,697)
Operating profit before working capital changes	73706393	6195738
Adjustments for :-		
1 Purchase of Investments		(20,000)
2 Trade and Other Receivables	(833443119)	(290013648)
3 Trade Payable Net of Lease Terminal Adj. A/c	382067459	23623772
4 Adjustments for Merger of Subsidiary	204250518	
Cash Generated from operation	(173418749)	(260214139)
Interest Paid	0	152870
Cash Flow Before extraordinary items	(173418749)	(260061269)
Extraordinary Items		
Net Cash from/ (Used) in Operating activities	(173418749)	(260061269)
B. CASH FLOW FROM INVESTING ACTIVITIES		
1 Purchase of Fixed Assets	(26425724)	(1611138)
2 Sale of Fixed Assets	555192	105,000
3 Purchase of Investments		(100,000,000)
4 Sale of Investments		0
5 Interest Received	(1522646)	(961470)
Net Cash from/ (Used) in Investing Activities	(27393178)	(102467608)
C. CASH FLOW FROM FINANCIANG ACTIVITIES		
1 Proceeds from issue of Share Capital	4,508,080	0
2 Proceeds from Long and Short Term Borrowings	606734132	365683252
3 Interest Paid	0	(152870)
Net Cash from financiing activities	611242212	365530382
Net increase in Cash and Cash equivalents (A+B+C)	410430285	3001505
Cash and Cash equivalents as (Opening Balance)	4555719	1554214
Cash and Cash equivalents as (Closing Balance)	414986004	4555719

Vide Our report of date attached
For Maharaj N R Suresh and Co
FRN NO:001931S
Chartered Accountants

[Signature]

K. V. Srinivasan
Partner
M.No 204368

Place: Mumbai
Date : 18.06.2011



For and on behalf of the Board of Directors

[Signature]

C P Khandelwal
Director

[Signature]

Sunil Sarda
Director

[Signature]
VRMS Prasad Sarda
Company Secretary

Schedule 16

Notes forming part of the Consolidated Balance Sheet as at 31st March 2011 and Consolidated Profit and Loss account for the year ended 31st March 2011.

D). Significant Accounting Policies

A) General

The Financial statements have been prepared on the historical Cost Convention and in accordance with Generally Accepted Accounting Principles and complying with the applicable Accounting standards.

B) Fixed Assets

Fixed Assets are stated at cost less Depreciation. Cost of acquisition is inclusive of Freight, duties, installation and other incidental expenses net of CENVAT Credit if any applicable.

C) Depreciation

Depreciation has been provided on Straight Line Method, in accordance with the Provisions of the Companies Act, 1956 at the rates prescribed in Schedule XIV to the Companies Act, 1956.

D) Investments

Investments are classified into long term investments and current investments. Investments that are intended to be held for one year or more are classified as long-term investments and investments that are intended to be held for less than one year are classified as current investments.

Long term investments are valued at cost. Provision for diminution in value of long term investments is made if in the opinion of management such a decline is other than temporary.

Current investments are valued at cost or fair value, whichever is lower.

E) Revenue and Expenditure Recognition

- Income is recognized on Work Completed and billed on Customers.
- Interest Income on performing assets is recognized on accrual basis.
- Interest income on non-performing assets is recognized on realization basis. Recovery in Non Performing assets is first appropriated towards Interest and the balance if any, towards principal.
- Revenue from Brokerage activities is accounted on the trade date of Transactions.
- Other charges are accounted on the trade date of Transaction.
- Depository income is accounted for on accrual basis
- Dividend Income is recognized on receipt basis.
- In Respect of other heads of Income, the Company accounts the same on accrual basis
- Expenditure is accounted for on their accrual.



F) Retirement Benefits

Short Term Employee benefits are charged at the undiscounted amount to Profit and Loss account in the year in which related service is rendered.

Contributions to defined contribution schemes towards retirement benefits in the form of provident fund /ESI for the year are charged to profit & loss account as incurred

Liabilities in respect of defined benefit plans are determined based on actuarial valuation made by an Independent actuary using projected Unit Credit method as at the Balance sheet date. Actuarial gains or losses are recognized immediately in the profit & loss account.

G) Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income tax Act, 1961. Deferred tax is recognized, on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one more subsequent period. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that there will be sufficient future taxable income available against which such deferred tax asset can be realized.

H) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. Contingent Liabilities are disclosed, unless the possibility of any outflow in settlement is remote, in the Notes on Accounts. Contingent Assets are neither recognized no disclosed.

I) Reserve Bank of India Prudential Norms:

The Company follows the Guidelines issued by the Reserve bank of India Act, 1934 in respect of income recognition and Provisioning for non-performing assets.

Loans and advances-Asset classification and Provision norms followed pursuant to Notification DNBS (PD) CC No.145/ 03.02.001 / 2009-10 issued by Reserve Bank of India for Non Banking financial (Non deposit Accepting or Holding Companies)

Considered as	Definition	Recognition of Service charges	Provisioning Policy
A) Performing Asset			
Good	Interest in unrealized for 6 months and less	On accrual basis	0.25% of Loan Amount Outstanding
B) Non performing Asset			
Sub Standard	Interest is unrealized greater than 6 to 24 months	On receipt basis	10% of Loan Amount Outstanding
Doubtful	Interest is unrealized for more than 24 months	On receipt basis	24 to 36 Months 20% 36 to 60 Months 30% More than 60 Months 50%



Loss	As asset which has been identified as Loss assets.	On receipt basis	100% of Loan Amount Outstanding
------	--	------------------	---------------------------------

II) NOTES ON ACCOUNTS

1) Principles and Assumptions

a) The consolidated financial statements have been prepared applying the principles laid in the Accounting Standard (AS-21) Consolidated Financial Statements as per sub section (3C) of Section 211 of the Companies Act, 1956.

b) Principles used in preparing Consolidated Financial Statements

i) In preparing consolidated financial statements, the financial statements of the parent and its subsidiary is combined on a line by line basis by adding together like items of assets, liabilities, income and expenses.

ii) The cost to the parent of its investment in a subsidiary and the parent's portion of equity of subsidiary, at the date on which investment in subsidiary is made, is eliminated.

c) Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

d) The Consolidated Profit & Loss account includes Operations of Systematix Fincorp India Limited for the whole year, Systematix Finvest Private Limited from 24.12.2010 to 31.03.2011, Systematix Shares and Stocks (I) Limited for the period from 24.03.2011 to 31.03.2011 the wholly owned subsidiary of the company and M/s Systematix Commodities Services Pvt Ltd for the period from 24.03.2011 to 31.03.2011 wholly owned subsidiary of Systematix Shares and Stocks (I) limited

2) SHARE CAPITAL AND OPTIONAL CONVERTIBLE DEBENTURE

i) During the year the company has allotted 4 43 758 Nos of equity shares of the face value of Rs 10/- each at Rs 250/- per share and 3 03 667 Nos of Optionally Fully convertible Debenture (OFCD'S) face value of Rs 250/- (Rs: Two hundred and Fifty only) to the shareholders of Systematix Shares & Stocks (I) Limited (SSSIL) as a Consideration against acquisition of 29 89 700 Nos shares of SSSIL.

ii) OFCD,s are allotted on 24/03/2011 and carry a coupon rate of 6%.

OFCD, s will be convertible in to one equity share of the company at the option of the OFCD, s holder within period of 18 Months from the date of allotment of the OFCD,s failing which the OFCD,s will be eligible for redemption at the par value of Rs 250/- per OFCD,s at the end of the said 18 Months.

3) Secured Loans:

a) Secured Loan is secured by Securities received from borrowers who have been granted loan against shares by the Company and held in Demat account in the name of the Company and Pledged in favour of Respective lenders.

- b) Confirmation of balances for Loans and advances, Debtors and Creditors have not been obtained therefore the balances under the head loans and advances, Debtors and sundry Creditors are shown as per books and are subject to reconciliation and Adjustments if any.

4) Sundry Debtors include:

Amount due from Private Companies in which one or more directors of the Company are interested.

	Amount in Rs.	
	31.03.2011	31.03.2010
Superstar Exports Private Limited (Maximum due anytime during the Year)	NIL Rs.21 01 49 913	NIL Rs 74 72 220

5) Contingent Liabilities:

Contingent Liabilities on account of
Guarantee given to banks for group Companies

Rs in lakhs
31.03.2011 31.03.2010

14050 6800

6) Auditors Remuneration:

- i) Statutory Audit

Amount in Rs.
31.03.2011 31.03.2010

1 02 453 75 900

7) Non Performing Assets (NPAs) and Provisions

Particulars	Rs in Lakhs	
	2010-11	2009-10
Movement of Provisions of NPA		
a) Opening balance	43.77	0.01
b) Provisions made during the year	34.73	43.77
c) Write-off/Write-back of excess provisions	43.77	0.01
d) Closing balance	34.73	43.77

8) Basic & Diluted Earnings per share:

Particulars	2010-11	2009-10
Net Profit/(Loss) attributable to equity share holders	4 98 67 196	11 50 246
Weighted Average of Equity shares	1 26 88 526 (face value of Rs. 10/- each)	1 26 78 800 (face value of Rs. 10/- each)
Basic Earnings Per Share	3.93	0.09
Weighted Number of equity shares outstanding for Diluted EPS	1 26 88 526 (face value of Rs. 10/- each)	1 26 78 800 (face value of Rs. 10/- each)
Diluted Earnings Per share	3.93	0.09

9) Deferred Tax Asset/ Liability:

	31.03.2011 (Rs in Lakhs)	31.03.2010 (Rs in Lakhs)
Deferred Tax Asset on account of: Disallowance U/S 40A (7) & others	13.31	11.36
Deferred Tax Liability on account of: Depreciation	136.58	0.00

10) The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Macro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2011 has been made in the financials statements based on the information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	For the year ended March 31, 2011	For the year ended March 31, 2010
a) Amount due and outstanding to suppliers as at the end of accounting year	NIL	NIL
b) Interest paid during the year	NIL	NIL
c) Interest payable at the end of the accounting year, and	NIL	NIL
d) Interest accrued and unpaid at the end of the accounting year,	NIL	NIL

The Company is making efforts to get the confirmations from the suppliers as regards their status under the Act.

11) Related party Transactions

I) Names of Transacting Related Parties

A) Wholly Owned Subsidiaries

- Systematix Fincorp India Limited
- Systematix Finvest Private Limited

B) Subsidiary Company

- Systematix Shares & Stocks (I) Limited
- Systematix Commodities Services Private Limited



C) Associate and Group Companies

- Systematix Capital Services Private Limited
- CEEPEEK Real Estate Private Limited
- Rangsharda Properties Private Limited
- Shubhamangalam Real Estate Private Limited
- Snehavardhini Properties Private Limited
- Tek Point Properties Private Limited
- Funsign Real Estate Private Limited
- Superstar Exports Private Limited.
- Topcity Trading Company Private Limited
- Riteplaza Trading Company Private Limited
- Magicline Trading Company Private Limited
- Goldflag Exports Private Limited
- Goldlife Trading Company Private Limited
- Thirdwave Merchantile Company Private Limited
- SQL Star International Limited
- Shivsakthi Real Estate Private Limited
- Southern Wind Farm Private Limited
- Nikunj Mercantile Private Limited

Entities where Control Exists

- Mahesh C Solanki & Co

Key Managerial Personnel

Mr. C. P. Khandelwal
Mr. Ramesh Raizada
Mr. Sunil Sarda

II) A description of the relationship between related parties: Presumption of Significant Influence.

III) Transaction detail

Name of the Related party	Description of Transaction and amount during the year		Amount outstanding
	Rs in lakhs		
Superstar Exports Pvt Limited	Payment of dues	139.90	--
Superstar Exports Pvt Limited	Availment of loan	1388.50	(CR) 2017.00
Superstar Exports Pvt Limited	Share Allotted for Consideration other than cash. (94 994 equity shares)		
	OFCD,s Allotted for Consideration Other than cash (65 006 OFCD,s)		
Topcity Trading Company Private Limited	Dues paid	1.43	--
Riteplaza Trading Company Private Limited	Dues paid	25.42	--
Systematix Capital Services Private Limited	Loan Given	220.00	--
	Loan Received	220.00	--
Systematix Capital Services Private Limited	Loan Received	647.00	--

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	Loan Repaid	647.00	
Goldflag Exports Private Limited	Rent paid	8.40	--
CEEPEEK Real Estate Limited	Rent paid	1.80	--
Rangsharda Properties Private Limited	Rent paid	1.80	--
Shubhamangalam Real Estate Private Limited	Rent paid	1.80	--
Funsign Real Estate Private Limited	Rent paid	1.20	--
Tck Point Properties Private Limited	Rent paid	1.80	--
Shivshakti Real Estate P. Ltd	Rent Paid	8.40	
Shivshakti Real Estate P. Ltd	Property Tax	1.17	
Thirdwave Merchantile Co. Pvt. Ltd.	Loan Given	255.00	
Thirdwave Merchantile Co. Pvt. Ltd.	Dues Recd		--
		255.00	
Thirdwave Merchantile Co. Pvt. Ltd	Interest Received	0.25	(DR) 0.01
Mahesh C Solanki & Co	Professional Fees	0.75	--
Mr. C. P. Khandelwal	Remuneration	33.00	(DR) 6.00
Mr. C. P. Khandelwal	Share Allotted for Consideration other than cash. (100 715 equity shares)		
	OFCD,s Allotted for Consideration Other than cash (68 550 OFCD,s)		
Smt Geeta Devi Khandelwal	Share Allotted for Consideration other than cash. (2 07 786 equity shares)		
	OFCD,s Allotted for Consideration Other than cash. (1 42 189 OFCD,s)		
Mrs Anju Khandelwal	Share Allotted for Consideration other than cash. (40 803 equity shares)		
	OFCD,s Allotted for Consideration Other than cash. (27 922 OFCD,s)		
Mr. Ramesh Raizada	Remuneration	9.00	

12) Fixed deposit with bank includes:

(Amount in Rs. Lacs)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
a) Pledged towards Bank Guarantee issued	2692.00	2655.65
b) Submitted to Stock Exchanges	70.09	68.09
c) Margin deposit towards Overdraft facility	212.60	3 10.00
TOTAL	2974.69	3033.74

13) Employee Benefits

The Company has adopted AS 15-Employee Benefits during the year. These being the first year of adoption of AS 15, disclosure for the previous years are not given:

General description	Post employment Benefit Gratuity
i) Changes in the Present Value Of the Obligation (PVO)- Reconciliation of Opening and Closing Balances:	
PVO as at the beginning of the Period	64 00 131
Interest Cost	4 99 210
Current Service Cost	30 70 118
Past service Cost-(Vested benefits)	17 63 979
Actuarial Loss/(gain) on obligation	(8 29 730)
PVO as at the end of the period	1 09 03 708
ii) Amount recognized in the Balance Sheet and Related Analysis	
Present value of obligation	1 09 03 708
Fair value of Plan assets	--
Difference Liability Recognized in the Balance Sheet	1 09 03 708
ii) Expenses Recognized in the Profit & Loss account	
Current service Cost	30 70 118
Interest Cost	4 99 210
Past service Cost-(Vested benefits)	17 63 979
Net actuarial (gain)/loss recognized In the year	(8 29 730)
Expenses recognized in the statement of Profit and loss	45 03 577

iv) Principal Actuarial Assumption (Expressed as weighted averages)	1.4.2010	31.3.2011
Discount Rate	7.80%	7.80%
Salary Escalation Rate	15.00%	15.00%
Attrition Rate	15.00%	15.00%
Expected rate of return on plan assets	0.00%	0.00%

14) SEGMENT INFORMATION

PARTICULARS	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
	Rs In Lakhs	Rs In Lakhs
1. Segment revenue		
a) Merchant banking & Related Activities	290.95	10.83
b) Financing and other Activities	2,855.57	1,159.43
c) Equity, Commodity, currency and Other Transactional Services	76.04	0.00
d) Others	0.00	24.83
Total	3,222.56	1,195.09
Less:		
Inter Segment Revenue	0.00	0.00
Net income from Operations	3,222.56	1,195.09
2. Segment Results Profit before tax and Interest from each segment		
a) Merchant banking & Related Activities	92.56	(54.02)
b) Financing and other Activities	2,330.96	894.83
c) Equity, Commodity, currency and Other Transactional Services	(10.95)	0.00
d) Others	0.00	0.00
Total	2,412.57	840.81
Less:		
a) Interest	1,703.05	793.12
Total Profit before Tax & Extra ordinary Items	709.52	47.69
3. Capital Employed (Segment Assets-Segment Liabilities)		
a) Merchant banking & Related Activities	218.19	1,557.39
b) Financing and other Activities	14,410.53	8,931.68
c) Equity, Commodity, currency and Other Transactional Services	4,189.52	0.00
d) Others	0.00	0.00
Total	18,818.24	10,489.07

The above segment information is presented on the basis of the audited consolidated financial statements. The Company's operations predominantly relate to Merchant banking activity and financing Activity.




15) Previous year figures have been regrouped wherever necessary.

16) Paise have been rounded off to the nearest rupee.

17) Other items required to be disclosed as per Para 4A, 4C & 4D of Part II of Schedule VI of the Companies Act, 1956 Nil.



Vide our report of date attached

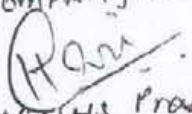
For MAHARAJ N. R. Suresh & Co
FRN NO: 001931S
Chartered Accountants


K V Srinivasan
Partner
M.NO:204368

Place: Mumbai
Date: 18.06.2011

DIRECTORS


C P Khandelwal

Sunil Sarda

COMPANY SECRETARY

HEMANT Prasad
Senba

II) NOTES TO ACCOUNTS

10. SEGMENT INFORMATION

PARTICULARS	YEAR ENDED 31.03.2011 Rs In Lakhs	YEAR ENDED 31.03.2010 Rs In Lakhs
1. Segment Revenue		
a) Merchant Banking & Related Activities	290.95	10.83
b) Financing and other Activities	2,855.57	1,159.43
c) Equity, Commodity, Currency and other Transactional Services	76.04	-
d) Others	-	24.83
Total	3,222.56	1,195.09
Less:		
Inter Segment Revenue	-	-
Net income from Operations	3,222.56	1,195.09
2. Segment Results Profit Before Tax and Interest from each segment		
a) Merchant Banking & Related Activities	92.56	(54.02)
b) Financing and other Activities	2,330.96	894.83
c) Equity, Commodity, Currency and other Transactional Services	(10.95)	-
d) Others	-	-
Total	2,412.57	840.81
Less:		
a) Interest	1,703.05	793.12
Total profit before Tax & Extra ordinary Items	709.52	47.69
3. Capital Employed (Segment Assets-Segment Liabilities)		
a) Merchant Banking & Related Activities	218.19	1,557.39
b) Financing and other Activities	14,410.53	8,931.68
c) Equity, Commodity, Currency and other Transactional Services	4,189.52	-
d) Others	-	-
Total	18,818.24	10,489.07

SYSTEMATIX CORPORATE SERVICES LIMITED

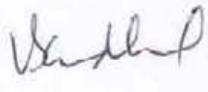
CALCULATION OF BASIC AND DILUTED EARNINGS PER SHARE FOR FINANCIAL YEAR 2010-11

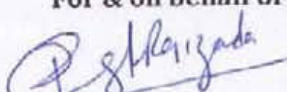
PARTICULARS	NO OF SHARES	NO OF DAYS	WT. AVG. NO. OF EQUITY	
			FY 2010-11	FY 2009-10
From 01.04.2010 to 31.03.2011	12678800	365	12678800	0
From 24.03.2011 to 31.03.2011	443758	8	9,726	0
From 01.04.2009 to 31.03.2010	12678800	365	0	12678800
Weighted Average No of Equity Shares			12688526	12678800
Earnings Available To Equity Share Holders			49867196	1150246
BASIC AND DILUTED EARNINGS PER SHARE			3.93	0.09

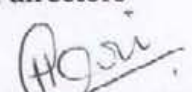
Statement pursuant to section 212 of the Companies act, 1956, relating to Company's interest in Subsidiary Companies.

Name of Subsidiary Company	Systematix Shares & Stocks (I) Limited	Systematix Fincorp India Limited	Systematix Finvest Private Limited	Systematix Commodities Services Private Limited
1. The financial year of the subsidiary companies ended on	31 st march, 2011	31 st march, 2011	31 st march, 2011	31 st march, 2011
2. a. number of shares held by Systematix Corporate Services limited with its nominees in the subsidiaries at the end of the financial year of the subsidiary companies	4158700 equity shares of Rs. 10 each.	1674845 equity shares of Rs. 10 each.	187820 equity shares of Rs. 100 each.	15800 equity shares held by Systematix Shares & Stocks (I) Limited (SSSIL).
b. Extent of interest of holding company at the end of the financial year of the subsidiary company	99.88%	99.94%	100%	98.75% (held by SSSIL)
3. The net aggregate amount of the subsidiary companies profit / (loss) so far as it concerns the members of the holding company				
a. not dealt with in the holding company's accounts				
i) for the financial year ended 31 st march, 2011	Rs. 11214129	Rs. 42178019	Rs. 170496	Rs. 2883674
ii) for the previous financial years of the subsidiary companies since they became the holding company's subsidiaries.	Nil	Rs. 6842017	Nil	Nil
b. dealt with in holding company's accounts:				
i) for the financial year ended 31 st march, 2011	Nil	Nil	Nil	Nil
ii) for the previous financial years of the subsidiary companies since they became the holding company's subsidiaries	Nil	Nil	Nil	Nil

Date: 18/06/2011
Place: Mumbai


Managing Director
Chandra Prakash Khandelwal

For & on behalf of the board of directors

Managing Director
Ramesh Kumar Raizada


Company Secretary
V R N H S Prasad Sanka

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Systematix Corporate Services Limited
Regd. Office: 206- 207, Bansi Trade Centre, 565/581, M. G. Road, Indore- 452001

ATTENDANCE SLIP

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

NAME & ADDRESS OF THE SHAREHOLDER	L.F.NO.

I hereby record my presence at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company, held at 206- 207, Bansi Trade Centre, 565/581, M. G. Road, Indore- 452001, on Friday September 30 ,2011 at 05.00 p.m. as a shareholder /Proxy.

If Shareholder, please sign here	If Proxy, please sign here

Systematix Corporate Services Limited
Regd. Office: 206- 207, Bansi Trade Centre, 565/581, M. G. Road, Indore- 452001

Folio No. _____

I/We _____
Of _____ name being member of above
Company, hereby appoint Shri/Smt./ Kum. _____ of _____
In the district of _____ or failing him/ her Shri/ Smt. /Kum. _____
In the district of _____ for me / us on my/
our behalf at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company, to be
held on Friday September 30 ,2011 and any adjournment thereof.

Signed this _____ Day of _____ 2011

Affix a
1 Rupee
Revenue
Stamp

Signature of the Share Holder

Note: This proxy form duly completed must be received at the Company's Registered Office at least 48 hours before the meeting.