

Date: 5th October, 2016

To,
BSE Limited
Corporate Relation Department
P.J. Towers, Dalal Street
Fort, Mumbai 400 001

Scrip Code : 526506

Sub: Annual Report for the financial year 2015-16

Dear Sir / Madam,

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report of Systematix Corporate Services Limited for the financial year 2015-16, duly approved and adopted by the members of the Company as per the provisions of the Companies Act, 2013 at the 31st Annual General Meeting held on Friday, 30th September, 2016 at 11.00 am at 206-207, Bansi Trade Centre, 581/5, M.G. Road, Indore-452001, Madhya Pradesh.

We hereby request you to kindly take the same on record.

Thanking You,

Yours faithfully,
For Systematix Corporate Services Limited

V. S. Dhanesha
Vrunda Dhanesha
Company Secretary



Encl: As Above



SYSTEMATIX CORPORATE SERVICES LIMITED

31st Annual Report

2015-2016

PAGE INDEX**STANDALONE**

Contents	Page No.
Corporate Information	1
Notice	3
Directors Report	11
Corporate Governance Report	34
Management Discussion & Analysis Report	51
Independent Auditors Report	58
Balance Sheet	63
Profit & Loss Account	64
Notes	65

CONSOLIDATED

Contents	Page No.
Independent Auditors Report	77
Balance Sheet	82
Profit & Loss Account	83
Notes	84
Proxy & Attendance Slip	Last Page

AGM DETAILS**ANNUAL GENERAL MEETING****Date : September 30th, 2016****Day : Friday****Time : 11.00 a.m.****Venue : 206-207, Bansi Trade Centre,
581/5, M.G. Road, Indore - 452001 (M.P.)**

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Chandra Prakash Khandelwal	-	Executive Chairman & Managing Director
Mrs. Anju Khandelwal	-	Non- Executive Director
Mr. Pradeep Gotecha	-	Executive Director & CFO
Mr. Shriram Khandelwal	-	Independent Non-Executive Director
Mr. Mahesh Solanki	-	Independent Non-Executive Director
Mr. Sanjay Khandelwal	-	Independent Non-Executive Director

CHIEF FINANCIAL OFFICER

Mr. Pradeep Gotecha

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Vrunda Dhanesha

PRACTISING COMPANY SECRETARY

M/s. Kothari H. & Associates
Company Secretaries
208, 11nd Floor, BSE Building,
Dalal Street, Fort, Mumbai - 400 001.

AUDITORS

M/s. Maharaj N R Suresh & Co.
Chartered Accountants
New No. 9, 2nd Lane, 2nd Main Road,
Trustpuram, Kodambakkam, Chennai – 24 (TN)

BANKERS

Axis Bank Ltd

REGISTRAR & TRANSFER AGENTS

CAMEO CORPORATE SERVICES LIMITED
Subramanian Building, No.1, Club House Road,
Chennai – 600002. Tamilnadu
Tel No.: 044 - 22846039 , Fax No.: 044 – 28460129
e-mail: cameo@cameoindia.com, Web: www.cameoindia.com

REGISTERED OFFICE

206-207, Bansi Trade Centre, 581/5, M.G.Road,
Indore – 452001, Madhya Pradesh.
Tel.: 0731-3018111 , Fax: 0731-4068253
e-mail: secretarial@systematixgroup.in
Web: www.systematixgroup.in

CORPORATE OFFICE

“The Capital”, A’ Wing, 6th Floor, No. 603 - 606,
Plot No. C-70, ‘G’ Block,
Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051

CORPORATE IDENTITY NUMBER

L91990MP1985PLC002969

DIRECTORS' BIOGRAPHY

CHANDRA PRAKASH KHANDELWAL MANAGING DIRECTOR

Mr. C. P. Khandelwal, an avant-grade visionary is the founder and Chairman of Systematix group. He is a qualified Chartered Accountant with career spanning of more than two decades. He is well known figure in the industry specially for consummating mega deals that involve some of the largest conglomerates in India. His foresight and business acumen are complimented by strong moral values, which make it easy for corporates to rely on him and the group. As an effective leader and motivator, he has taken the group to greater heights. His excellent reputation and industry wide contact base have been one of the most vital sources of growth for the group.

ANJU KHANDELWAL DIRECTOR

Mrs. Anju Khandelwal, is a Master of Engineering in Power & Electronic. She is also Bachelor of Engineering degree in Electronic and Electricals. She has experience of more than 11 years as Asst. professor in GSITS, One of the oldest and leading engineering college in Central India. Mrs. Khandelwal is Director of Systematix Shares & Stocks (I) Ltd and in other group Companies. She is actively involved in brokerage business of securities as well as commodities. She is also involved in setting up as sound risk management & surveillance systems.

SHRIRAM KHANDELWAL NON - EXECUTIVE & INDEPENDENT DIRECTOR

Mr. Shriram S Khandelwal, is a fellow member of Institute of Chartered Accountant of India and having more than 30 years of experience in field of Audit, Accounts, Financial and Taxation. He is proprietor of M/s SS Khandelwal & Company and he is also partner in M/s SS Khandelwal & Associated – Chartered Accountancy Firm. He is associated with approx. 25 companies/concerns for Statutory Audit and Taxation assignments. He also actively participates in social work and Member of various Societies and trust.

MAHESH SOLANKI NON- EXECUTIVE & INDEPENDENT DIRECTOR

Mr. Mahesh Solanki is a fellow member of Institute of Chartered Accountants of India. Over the years, he has gained vast knowledge in capital markets, project finance, taxation, legal and accounting matters. He is partner in M/s Mahesh C. Solanki & Co – Chartered Accountancy Firm, The Firm started in 1989 and is in the field of Chartered Accountancy and Corporate Advisory Services providing customized solutions for the clients.

SANJAY KHANDELWAL NON- EXECUTIVE & INDEPENDENT DIRECTOR

Mr. Sanjay Khandelwal is a BE in Electronics and Over the years, he has gained vast knowledge in capital markets, project finance. He is director of Kamal Automation Systems Private Limited since 2007. He also actively participates in social work and Member of various Societies and trust.

PRADEEP GOTECHA EXECUTIVE DIRECTOR & CFO

Mr. Pradeep Gotecha is associate member of Institute of Chartered Accountant of India, having more than 16 years of experience in field of Capital Markets. He is associate with Systamatix Groups since 2007.

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Members of **Systematix Corporate Services Limited** will be held at the registered office of the Company situated at 206-207, Bansi Trade Centre, 581/5, M.G. Road, Indore - 452001, Madhya Pradesh on **Friday, 30th day of September, 2016 at 11.00 a.m.** to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Audited Balance Sheet as at 31st March, 2016 and the statement of Profit & Loss for the year ended 31st March, 2016 together with the reports of the Directors and Auditors thereon.
2. To appoint a director in place of **Mr. Chandra Prakash Khandelwal (DIN: 00016373)** who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), the appointment of M/s. Maharaj N R Suresh & Co., Chartered Accountants (Firm Registration No. 001931S) as the Statutory Auditors of the Company to hold the office from the conclusion of this Annual General Meeting till the conclusion of the 32nd Annual General Meeting of the Company be and is hereby ratified and confirmed on such remuneration and out of pocket expenses as may be mutually agreed between the Board of Directors of the company and the Auditors.”

SPECIAL BUSINESS:

4. **Regularization of Additional Director, Mr. Pradeep Gotecha and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Pradeep Gotecha (DIN: 03154115) who was appointed as an additional director pursuant to provisions of section 161(1) of the Companies Act, 2013 and the Articles of Association of the company and who holds office up to the date of this Annual General Meeting and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as director of the company.”

5. **To consider and determine the fees for delivery of any document through a particular mode of delivery to a member and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 20 of the Companies Act, 2013 and other applicable provisions, if any, of the said Act and relevant rules prescribed there under, whereby a document may be served on any member by the company by sending it to him by post or by registered post or by speed post or by courier or by electronic or other mode as may be prescribed, the consent of the company be and is hereby accorded to charge from the member the fee of Rs. 500/- per document in advance equivalent to the estimated actual expenses of delivery of the documents, pursuant to any request made by the shareholder for delivery of such document to him, through a particular mode of services mentioned above provided such request along with requisite

fee has been duly received by the Company at least one week in advance of the dispatch of document by the company and that no such request shall be entertained by the company post the dispatch of such document by the company to the shareholder.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, director or key managerial personnel of the company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary , proper or desirable or expedient to give effect to above resolution.”

By Order of the Board

**Sd/-
Chandra Prakash Khandelwal
Managing Director
DIN: 00016373**

Date: 11.08.2016

Place: Mumbai

Registered Office:

206-207, Bansi Trade Centre,
581/5 M.G. Road,
Indore – 452001
Madhya Pradesh

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty in number and holding in aggregate not more than ten per cent of the total share capital of the Company carrying voting rights. In case of a Member holding more than ten per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
4. Members / Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting. Corporate Members intending to send their authorised representatives are requested to send duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the ensuing Annual General Meeting on their behalf.
5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. Shareholders seeking any information with regard to accounts are requested to write to the Company at least seven days in advance so as to enable the Company to keep the information ready.
7. The Register of Members and Share Transfer Books of the Company will remain closed from 24th September, 2016 to 30th September, 2016 (both days inclusive).
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays during business hours of the Company up to the date of the Meeting.
9. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
10. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
11. Members are requested to send all communications concerning shares, change of address etc. to the Company's Registrar, Cameo Corporate Services Ltd. quoting their folio and reference no. Members are also requested to send their email address to the company's Registrar.
12. As stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a profile and brief resume of the directors seeking reappointment, their memberships/ chairmanship in various Board Committees and names of other Companies in which they hold directorships, is given in the Corporate Governance Report which forms part of the Annual Report.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
14. Non- Resident Indian Members are requested to inform Registrars and Transfer Agents, immediately of :
 - (i) Change in their residential status on return to India for permanent settlement.
 - (ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
15. Shareholders who are still holding physical share certificate(s) are advised to dematerialize their shareholding to avail the benefits of dematerialization.
16. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company's Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.
17. Members may also note that the Notice of the 31st Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website www.systematixgroup.in for their download. The physical copies of the aforesaid documents will also be available at the Company's Corporate Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication,

members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: cameo@cameoindia.com.

18. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering remote e-voting facility to its members to exercise their right to vote by electronic means. The Members / list of Beneficial Owners as on cut-off date as on Friday, 23rd September, 2016, i.e. the date prior to commencement of book closure are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the "cut-off" date can exercise their right to vote by electronic means. The remote e-voting period will commence from 9.00 a.m. on Tuesday, 27th September, 2016 and will end at 5.00 p.m. on Thursday, 29th September, 2016.

19. **Investor Grievance Redressal :**

The Company has designated an exclusive e-mail id secretarial@systematixgroup.in to enable Investors to register their complaints, if any.

20. **Remote E- Voting :**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the Company is offering remote e-voting facility to its members in respect of the businesses to be transacted at the 31st Annual General Meeting scheduled to be held on 30th September, 2016 at 11.00 a.m.

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") as the Authorised Agency to provide the remote e-voting facilities.

The remote e-voting facility will be available during the following period:

Commencement of remote e-voting	From 9.00 a.m. on Tuesday 27th September, 2016
End of remote e-voting	Up to 5.00 p.m. on Thursday 29th September, 2016

The cut-off date (i.e. the record date) for the purpose of remote e-voting is 23rd September, 2016

Instructions and other information relating to remote e-voting are as under:

1. Log on to the e-voting website www.evotingindia.com
2. Click on "Shareholders" tab.
3. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on Login.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy) as recorded in your demat account or in the company records in order to login:</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction 3.</p>

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.
Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for remote e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical form, the details can be used only for remote e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for SYSTEMATIX CORPORATE SERVICES LIMITED on which you choose to vote.
11. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
16. If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
18. Note for Non – Individual Shareholders and Custodians
Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Other Instructions

- (i) The voting period begins on 9.00 a.m., on Tuesday, 27th September, 2016 and ends on 5.00 p.m. on Thursday, 29th September, 2016.
During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on cut-off date i.e 23rd September, 2016.
- (ii) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com or secretarial@systematixgroup.in
- (iii) The results on resolutions shall be declared on or after the AGM of the Company and the resolutions will be deemed to be passed on the AGM date, subject to receipt of the requisite number of votes in favour of the Resolution.

- (iv) M/s. Kothari H. & Associates, Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
- (v) The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizers' Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing who shall countersign the same.
- (vi) Members who are unable to exercise their voting rights through remote e-voting may exercise their voting rights at a poll provided at the Annual General Meeting.
- (vii) The members who have casted their votes by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
- (viii) The results shall be declared on or after the Annual General Meeting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.systematixgroup.in within 48 hours of conclusion of 31st AGM of the Company and communicated to BSE Limited, where the shares of the Company are listed. The same shall also be placed on the website of CDSL.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT IN RESPECT OF SEPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

ITEM NO. 4

Mr. Pradeep Gotecha was appointed as an Additional Director w.e.f. January 02, 2016 in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article of Association of the Company, holds office up to the date of the ensuing Annual General Meeting.

The Company has received request in writing from a member of the company proposing Mr. Pradeep Gotecha's candidature for appointment as Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013. The Board feels that presence of Mr. Pradeep Gotecha on the Board is desirable and would be beneficial to the company and hence recommend his appointment to the members.

None of the Directors, except Mr. Pradeep Gotecha and Key Managerial Personnel of the Company or their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

The Board recommends resolutions under Item No. 4 to be passed as an ordinary resolution.

ITEM NO. 5

As per the provisions of section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him by Post or by Registered post or by Speed post or by Courier or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he shall pay such fees as may be determined by the company in its Annual General Meeting. Therefore, to enable the members to avail of this facility, it is necessary for the Company to determine the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution.

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

Since the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Directors accordingly recommend the Ordinary Resolution at item no. 5 of the accompanying notice, for the approval of the members of the Company.

By Order of the Board

Sd/-
Chandra Prakash Khandelwal
Managing Director
DIN: 00016373

Date: 11.08.2016

Place: Mumbai

Details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting (as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

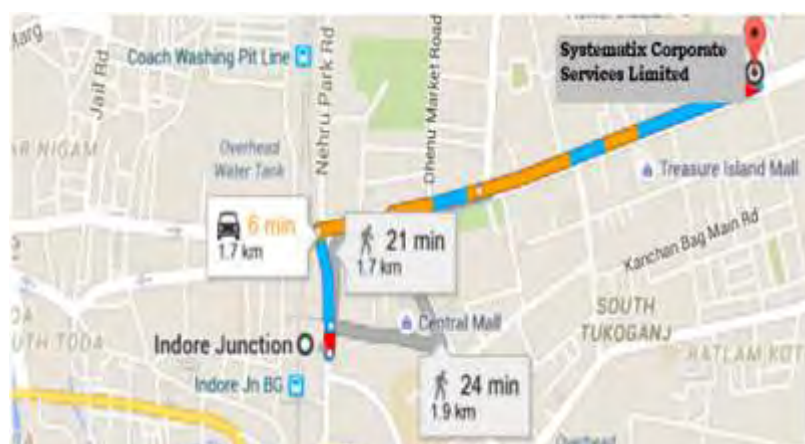
Sr. No.	Name of the Director	Mr. Chandra Prakash Khandelwal	Mr. Pradeep Gotecha
1	Date of Birth	14/02/1959	12/07/1970
2	Age	57 years	46 years
3	Date of Appointment	30/03/1995	02/01/2016
4	Permanent Account Number (PAN)	ACVPK1997R	AIYPG2191G
5	Director Identification Number (DIN)	00016373	03154115
6	Expertise in specific functional areas	20 years and above	16 years and above
7	No. of Equity shares held in the Company (as on March 31, 2016)	138215	NIL
8	Qualifications	FCA	ACA
9	List of other directorships (excluding Foreign Company)	As per Annexure -I	As per Annexure -II
10	Membership/ Chairmanship of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	Audit Committee: Chairman Systematix Fincorp India Limited Systematix Finvest Private Limited	NIL
11	Relationships, if any, between Directors interse	Spouse of Mrs. Anju Khandelwal	N.A.
12	Terms & Conditions of re-appointment	Executive director liable to retire by rotation	Executive director liable to retire by rotation
13	Remuneration last drawn	18 Lacs p.a.	8.61 Lacs p.a.
14	Remuneration sought to be paid	18 Lacs p.a.	8.61 Lacs p.a.
15	Shareholding	138215 shares	NIL
16	No. of Board Meetings attended during the year	2	1

ANNEXURE - I

Sr. No.	Names of the Companies	Nature of interest or concern / Change in interest or Concern	Date on which interest or concern arose / changed
1	Systematix Shares and Stocks (India) Limited	Managing Director	01-02-2000
2	Shiv Shakti Real Estate Private Limited	Director	01-02-2000
3	Systematix Capital Services Pvt. Ltd.	Director	06-06-2003
4	Thirdwave Mercantile Company Pvt. Ltd.	Director	12-03-2004
5	Superstar Exports Private Limited	Director	12-03-2004
6	Goldflag Exports Private Limited	Director	22-12-2004
7	Systematix Commodities Services Pvt. Ltd.	Director	16-09-2005
8	Systematix Fincorp India Limited	Whole-Time Director	25-05-2007
9	Siena Infotainment Private Limited	Director	25-02-2008
10	Systematix Assets Management Company Pvt. Ltd.	Director	01-07-2010
11	Systematix Finvest Private Limited	Director	01-12-2010
12	Unicorn Infra Projects And Estates Pvt. Ltd.	Nominee Director	11-09-2012
13	DDPL Global Infrastructure Pvt. Ltd.	Nominee Director	11-09-2012
14	Perspire Builders & Developers Pvt. Ltd.	Director	20-09-2012
15	Wonderdream Realtors Private Limited	Director	02-07-2013
16	Sant Sundardas Foundation	Director	01-04-2014
17	KPA Welfare Foundation	Director	08-07-2015

ANNEXURE - II

Sr. No.	Names of the Companies	Nature of interest or concern / Change in interest or Concern	Date on which interest or concern arose / changed
1	Dadhimati Syntex Private Limited	Director	04-08-2010
2	Systematix Assets Management Company Private Limited	Director	24-11-2015
3	Urban Affordable Housing Private Limited	Director	28-04-2016
4	First Lady Housing Private Limited	Director	01-04-2016

ROUTE MAP TO THE VENUE

DIRECTORS' REPORT

To,
The Members of
SYSTEMATIX CORPORATE SERVICES LIMITED

Your Directors have pleasure in presenting the 31st Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2016.

1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY :

(₹ in lacs)

Particulars	Year ended 31 st March, 2016		Year ended 31 st March, 2015	
	Standalone	Consolidated	Standalone	Consolidated
Total Income	31.90	3501.37	161.35	3823.67
Total Expenditure	187.51	3557.78	163.37	3584.20
Profit before Exceptional & Extraordinary Items and Tax	(155.61)	(56.41)	(2.02)	239.47
Exceptional Items	-	1.24	3.60	98.80
Extraordinary Items	-	-	-	-
Profit/(Loss) before Tax	(155.61)	(57.65)	(5.62)	140.67
Provision for Taxation	-	42.82	3.21	105.84
Deferred Tax	(3.24)	(12.69)	(5.01)	(83.32)
Income Tax related to Earlier Years	0.16	2.04	-	0.43
Profit/(Loss) after Tax	(152.53)	(89.82)	(3.82)	117.72
Paid up Share Capital	4005.14	4005.14	4005.14	4005.14
Reserves & Surplus	2145.21	3915.56	2297.74	4005.38
Proposed Dividend / Transfer to Reserve	-	-	-	-
Surplus / Deficit Transfer to Balance sheet	-	-	-	-
EPS (Basic)	(1.17)	(0.68)	(0.03)	0.90
EPS (Diluted)	(1.17)	(0.68)	(0.03)	0.90

2. TRANSFER TO RESERVES :

Since the Company incurred losses, it is not proposed to transfer any amount to reserves during FY 2015-16.

3. DIVIDEND :

Since the Company incurred losses during the financial year, no dividend is recommended by the Board for the financial year ended 31st March, 2016.

4. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR / STATE OF COMPANY'S AFFAIR :

As is evident from the above financial review, during the year, the company has earned Standalone Income of ₹ 31.90 Lacs as compared to Standalone Income of ₹ 161.35 Lacs of the Previous Year which registered a decline by 80.23 % as compared to last year Standalone Income, and Consolidated Income of ₹ 3501.37 Lacs as compared to Consolidated Income of ₹ 3823.67 Lacs of the previous Year which also registered a decline by 8.43 % as compared to last year Consolidated Income.

The Company has incurred Standalone Loss after Tax during the year of ₹ 152.53 Lacs as compared to the Standalone Loss after Tax of the previous year of ₹ 3.82 Lacs, and Consolidated loss after Tax during the year of

₹ 89.82 Lacs as compared to the Consolidated Profit after Tax of the Previous year of ₹ 117.72 Lacs as compared to last year Consolidated Profit after Tax.

5. 5.1 DETAILS OF WHOLLY OWNED SUBSIDIARIES :

The Company as on **31st March, 2016** had four Wholly Owned Subsidiaries viz:

- (i) M/s. Systematix Shares and Stocks (India) Limited
- (ii) M/s. Systematix Fincorp India Limited
- (iii) M/s. Systematix Finvest Private Limited
- (iv) M/s. Systematix Commodities Services Private Limited

5.2 REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES :

During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC-1 is appended as **Annexure I** to the Board's Report. The statement also provides the details of performance, financial positions of each of the subsidiaries. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries will be available for inspection during business hours at the registered office of the Company.

5.3 DETAILS OF COMPANIES WHICH HAVE BECOME OR CEASED AS SUBSIDIARY, ASSOCIATES AND JOINT VENTURES. DURING THE YEAR UNDER REVIEW, ARE AS UNDER :

During the year, there is none of the Company becomes Subsidiary or Associates or Joint Ventures.

6. NATURE OF BUSINESS :

The Company is a SEBI registered 'Category I' Merchant Banker.

There was no change in the nature of business of the Company for the year under review.

7. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT :

No material changes have occurred between the end of the financial year and the date of the report.

8. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE :

There are no significant material orders passed by the Regulators / Courts or Tribunals which would impact the going concern status of the Company and its future operations.

9. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS :

The Company has adequate systems of internal control, to ensure that all assets are safeguarded and protected against loss from unauthorized use and procedures commensurate with the size and nature of business. The Company continuously upgrades its systems in line with the best availability practices. These systems are supported by periodical reviews by the management and standard policies and guidelines to ensure that financial and other records are prepared accurately.

10. DEPOSITS :

During the year under review, your Company did not accept any deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, no amounts were outstanding which were classified as 'Deposits' under the applicable provisions of Companies Act, 2013 as on the date of Balance Sheet.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :

The particulars of loans, guarantees and investments given/made during the financial year under review and governed by the provisions of Section 186 of the Companies Act, 2013 forms part of financial statements.

12. 12.1 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

All the transactions/contracts/arrangements of the nature as specified in Section 188(1) of the Companies Act, 2013 entered by the Company during the year under review with related party (/ies) are in the ordinary course of business and on arms' length basis. Hence, Section 188(1) is not applicable and consequently no particulars in form AOC-2 have been furnished. Related Party transaction policy is posted on the website of the company and is available at www.systematixgroup.in

12.2 MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS DURING THE PERIOD UNDER REVIEW :

The Company had not entered into any material transaction with any of its related parties. None of the transactions with any of related parties were in conflict with the Company's interest. All related party transactions are in the ordinary course of business and on arms' length basis. Hence Form AOC-2 is not required to be furnished. Transactions with related party are disclosed in Note. 24 in 'Notes forming a part of financial statement' annexed to the financial statements for the year.

The company has formulated a policy on dealing with Related Party Transactions which can be accessed on the Company's website www.systematixgroup.in.

13. AUDITORS AND THEIR REPORTS :

The matters related to Auditors and their Reports are as under:

13.1 OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2016 :

The auditor's report does not contain any qualification, reservation or adverse remark or Disclaimer.

13.2 SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH, 2016 :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the report in respect of the Secretarial Audit carried out by M/s. Kothari H. & Associates, Company Secretaries in Form MR-3 for the FY 2015-16 is annexed herewith as '**Annexure II**'. The said report does not contain any adverse observation or qualification requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013.

13.3 STATUTORY AUDITORS :

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. Maharaj N R Suresh & Co. Chartered Accountants, Chennai (Firm Registration No. 001931S), the Statutory Auditors of the Company, hold office upto the conclusion of the Thirty Second (32nd) Annual General Meeting. However, their appointment as Statutory Auditors of the Company is subject to ratification by the Members at every Annual General Meeting. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company and are not disqualified for being so appointed.

Necessary resolution for ratification of appointment of the said Auditors is included in the Notice of Annual General Meeting for seeking approval of members.

14. SHARE CAPITAL :

The Authorized Share Capital of the Company is ₹ 500,000,000/- and Paid up Share Capital is ₹ 400,514,080/- during the year under review.

The Company has not issued any equity shares with differential rights / sweat equity shares/ employee stock options or not made any provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2015-2016.

The Company has not made any purchase or provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2015-2016.

15. OTHER DISCLOSURES :

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

15.1 EXTRACT OF ANNUAL RETURN :

Pursuant to the provisions of Section 134(3)(a) of the Companies Act, 2013, Extract of the Annual Return for the financial year ended 31st March, 2016 made under the provisions of Section 92(3) of the Act is attached as 'Annexure III' which forms part of this Report.

15.2 CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**A) ENERGY CONSERVATION & TECHNOLOGY ABSORPTION :**

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However adequate measures are always taken to ensure optimum utilization and maximum possible saving of energy. The Company has installed energy conservative equipment's like LED (Light Emitting Diode) lights instead of CFL (Compact Fluorescent Lamp).

The Company has maintained a technology friendly environment for its employees to work in. Your Company uses latest technology and equipments. However since the Company is not engaged in any manufacturing, the information in connection with technology absorption is NIL.

B) FOREIGN EXCHANGE EARNINGS AND OUTGO :

The foreign exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014, are provided as follows:

a.	Total foreign exchange earned	2,60,094
b.	Total foreign exchange outgo	NIL

16. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL :**DIRECTORS :****A) CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL :**

In accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Chandra Prakash Khandelwal who is liable to retire by rotation and is eligible for re-appointment, has offered himself for re- appointment.

During the year under review Mr. Pradeep Gotecha (DIN: 03154115) has been Appointed as Additional Director w.e.f. 2nd January, 2016 and Mr. Sunil Sarda resigned as Director of the Company w.e.f. 2nd March, 2016. The Board has placed on record its appreciation for the services rendered by Mr. Sunil Sarda during his tenure as a Director.

B) DECLARATION BY AN INDEPENDENT DIRECTOR(S) AND RE-APPOINTMENT, IF ANY :

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

C) FORMAL ANNUAL EVALUATION OF DIRECTORS, COMMITTEES & BOARD :

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

17. DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES :**17.1 BOARD MEETINGS :**

The Board of Directors met 5 times during the financial year ended 31st March, 2016 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Kindly refer section on Corporate Governance, under the head "BOARD OF DIRECTOR (BOARD)."

17.2 AUDIT COMMITTEE :

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. Kindly refer section on Corporate Governance, under the head, 'Audit Committee' for matters relating to constitution, meetings, functions & Responsibilities of the Committee.

17.3 DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES :

In compliance with the provisions of Section 177(9), the Board of Directors of the Company has framed the "Whistle Blower Policy" as the vigil mechanism for Directors and employees of the Company. The Whistle Blower Policy is disclosed on the website of the Company at www.systematixgroup.in

17.4 NOMINATION AND REMUNERATION COMMITTEE :

A Nomination and Remuneration Committee is in existence in accordance with the provisions of sub section (3) of Section 178. Kindly refer section on Corporate Governance, under the head, 'Nomination and Remuneration Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee. The Company's Policy on appointment and remuneration of Directors and Key Managerial Personnel under Section 178(3) of the Companies Act, 2013 and Chapter V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is attached as **Annexure IV** to this report.

17.5 PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE :

During the year, the Company has not received any complaint of sexual harassment.

17.6 RISK MANAGEMENT :

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in strategy, business and operational plans. Some of the risks which may pose challenges are set out in Management Discussions and Analysis Report which forms part of this report.

18. MANAGERIAL REMUNERATION :

The information as required under the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is attached as '**ANNEXURE V**' to this Report. As per the provisions of section 197(14) of the Companies Act, 2013, the Managing Director is not in receipt of any commission from the Company or its subsidiaries.

19. CORPORATE GOVERNANCE CERTIFICATE :

The Compliance certificate from M/s. Maharaj N. R. Suresh & Co., Chartered Accountants Chennai (Firm Registration No. 001931S) regarding compliance of conditions of corporate governance as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, is annexed with the report.

20. CORPORATE SOCIAL RESPONSIBILITY :

The company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

21. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed;

- a) That in the preparation of the annual financial statements for year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2016 and of the profit and loss of the company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) That the annual financial statements have been prepared on a going concern basis;
- e) That the proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively;
- f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and were operating effectively.

22. ACKNOWLEDGEMENTS :

Your Directors gratefully acknowledge all stakeholders of the Company viz. customers, members, dealers, vendors, banks and other business partners for the excellent support received from them during the year. The Directors place on record their sincere appreciation to all employees of the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors

Sd/-
Chandra Prakash Khandelwal
Chairman & Managing Director
DIN: 00016373

Date: 11.08.2016

Place: Mumbai

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹ In lacs)

Sr. No.	1.	2.	3.	4.
Name of the subsidiary	M/s. Systematix Shares and Stocks (India) Limited	M/s. Systematix Fincorp India Limited	M/s. Systematix Finvest Private Limited	M/s. Systematix Commodities Services Private Limited
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.
Share Capital	416.35	167.58	187.82	25.00
Reserves & surplus	3670.98	1954.94	1010.29	229.85
Total assets	6321.41	9939.12	3464.26	478.55
Total Liabilities	6321.41	9939.12	3464.26	478.55
Investments	-	-	-	-
Turnover	1593.49	1213.77	744.75	153.47
Profit before taxation	36.89	28.06	31.22	1.79
Provision for taxation	14.06	9.95	9.68	1.56
Profit after taxation	22.83	18.11	21.54	0.23
Proposed Dividend	-	-	-	-
% of shareholding	100%	100%	100%	100%

Notes:The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations – N.A.
- Names of subsidiaries which have been liquidated or sold during the year - N.A.

ANNEXURE II

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2016

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SYSTEMATIX CORPORATE SERVICES LTD

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Systematix Corporate Services Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2016 ('Audit period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Systematix Corporate Services Limited for the financial year ended on March 31, 2016 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not applicable to the company during the Audit Period**)
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (**Not applicable to the company during the Audit Period**)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (**Not applicable to the company during the Audit Period**)
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (**Not applicable to the company during the Audit Period**) and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (**Not applicable to the company during the Audit Period**)
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (**Applicable from December, 2015**)
2. We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations as applicable specifically to the company.
- i. Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE limited. (**Applicable till the date SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been notified**).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has not passed any resolution for:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction, etc.
- v. Foreign technical collaborations.

For **KOTHARI H. & ASSOCIATES**
Company Secretaries

Sd/-
Sonam Jain
Membership No. 31862
Certificate of Practice No. 12402

Place: Mumbai
Date: 11.08.2016

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure- A

To,
The Members
SYSTEMATIX CORPORATE SERVICES LTD.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **KOTHARI H. & ASSOCIATES**
Company Secretaries

Sd/-

Sonam Jain

Membership No. 31862

Certificate of Practice No. 12402

ANNEXURE-III

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I.REGISTRATION AND OTHER DETAILS:	
CIN	L91990MP1985PLC002969
Registration Date	21 st August, 1985
Name of the Company	Systematix Corporate Services Limited
Category / Sub-Category of the Company	Company having Share Capital
Address of the Registered Office and contact details	206-207, Bansi Trade Centre, 581/5 M.G Road, Indore- 452 001, Madhya Pradesh
Whether listed company	Yes
Name, address and contact details of Registrar and Transfer Agent, if any	Cameo Corporate Services Limited "Subramanian Building", V Floor, Building no.1, Club House Road, Chennai-600002.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service [NIC Code-2008]	% to total turnover of the company
1.	Financial Advisory Services	K7	99.83%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	NAME AND ADDRESS OF THE COMPANY	CIN / GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1.	Systematix Shares & Stocks (India) Limited 2 nd Floor, J. K. Somani Building, British Hotel Lane, Fort, Mumbai – 400001	U65993MH1995PLC268414	Subsidiary	100	2(87)
2.	Systematix Fincorp India Limited 126, 1 st Floor, 126, Shopping Centre, Kota - 324007, Rajasthan	U67120RJ1995PLC010601	Subsidiary	100	2(87)
3.	Systematix Finvest Private Limited J. K. Somani Building, 2 nd Floor, British Hotel Lane, Fort, Mumbai – 400001.	U65990MH1995PTC088488	Subsidiary	100	2(87)
4.	Systematix Commodities Services Private Limited J. K. Somani Building, 2 nd Floor, British Hotel Lane, Fort, Mumbai – 400001.	U01119MH1994PTC266348	Subsidiary	100	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	physical	Total	% of total shares	Demat	physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	537951	-	537951	4.0994	537951	-	537951	4.0994	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	4268806	-	4268806	32.5302	4733804	-	4733804	36.0737	3.5435
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1):	4806757	-	4806757	36.6297	5271755	-	5271755	40.1732	3.5435
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	4806757	-	4806757	36.6297	5271755	-	5271755	40.1732	3.5435
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	1061621	-	1061621	8.0900	-	-	-	-	-8.0900
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify) Foreign Portfolio Investor (Corporate) Category II	-	-	-	-	1061621	-	1061621	8.0900	8.0900
Sub-Total (B)(1):	1061621	-	1061621	8.0900	1061621	-	1061621	8.0900	-

(2) Non-Institutions									
a) Bodies Corporate	5915765	13400	5929165	45.1829	4759054	13400	4772454	36.3683	-8.8146
i) Indian									
ii) Overseas									
b) Individuals	416863	636210	1053073	8.0249	423922	634510	1058432	8.0657	0.0408
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh									
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	108534	70000	178534	1.3605	124868	70000	194868	1.4849	0.1244
c) Others (specify)									
i) NRI / OCBs	1600	-	1600	0.0121	1600	-	1600	0.0121	-
ii) Clearing Members / Clearing House	157	-	157	0.0011	669383	-	669383	5.1010	5.0998
iii) Hindu Undivided Families	91651	-	91651	0.6984	92445	-	92445	0.7044	0.0060
Sub-Total (B)(2):	6534570	719610	7254180	55.2802	6071272	717910	6789182	51.7367	-3.5435
Total Public Shareholding (B)=(B)(1)+(B)(2)	7596191	719610	8315801	63.3702	7132893	717910	7850803	59.8267	-3.5435
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	12402948	719610	13122558	100	12404648	717910	13122558	100	0.0000

(ii) Shareholding of Promoters :

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the End of the year			% change in Shareholding during the year
		No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Superstar Exports Pvt. Ltd	4268806	32.5302	-	4733804	36.0737	-	3.5435
2	Radhey Shyam Khandelwal	322437	2.4571	-	322437	2.4571	-	-
3	Chandra Prakash Khandelwal	138215	1.0532	-	138215	1.0532	-	-
4	Anju Khandelwal	50803	0.3871	-	50803	0.3871	-	-
5	Nikhil Khandelwal	20000	0.1524	-	20000	0.1524	-	-
6	Chandra Prakash Khandelwal HUF	6496	0.0495	-	6496	0.0495	-	-
	Total	4806757	36.6295	-	5271755	40.1730	-	3.5435

iii) Change in Promoters' Shareholding (please specify, if there is no change) :

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
a. Superstar Exports Private Limited				
At the beginning of the year	4268806	32.5302	4268806	32.5302
Purchased on 29.01.2016	464998	3.5435	4733804	36.0737
At the end of the year	4733804	36.0737	4733804	36.0737

There is no change in the shareholding of the other promoters except Superstar Exports Private Limited

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sr. No	Name of Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year		
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company	
1	Satyamitra Stock Consultants Pvt. Ltd.	1345116	10.2504	1345116	10.2504	
		9508	0.0724	9508	0.0724	
		No changes during the year		1345116	10.2504	
2	Chiraayush Stock Consultants Pvt. Ltd.	1138186	8.6735	1138186	8.6735	
		5783	0.0440	5783	0.0440	
		No changes during the year		1138186	8.6735	
3	Shri Ram Stockmart Pvt. Ltd.	985000	7.5061	985000	7.5061	
		672	0.0051	672	0.0051	
		No changes during the year		985000	7.5061	
4	Dhananjaya Money Management Services Pvt. Ltd.	669378	5.1009	669378	5.1009	
		Sale on 31.03.2016	-669378	5.1009	0	0
		Shareholding at the end	0	0	0	0
5	APMS Investment Fund Ltd	593621	4.5236	593621	4.5236	
		No changes during the year		593621	4.5236	
6	Kanishkdeep Stock Consultants Pvt. Ltd.	580058	4.4203	580058	4.4203	
		No changes during the year		580058	4.4203	
7	Findeal Investments Pvt. Ltd.	470585	3.5860	470585	3.5860	
		No changes during the year		470585	3.5860	
8	Lotus Global Investments Ltd	468000	3.5663	468000	3.5663	
		No changes during the year		468000	3.5663	
9	Trinity Investments Pvt. Ltd.	464998	3.5435	464998	3.5435	
		Sale on 29.01.2016	-464998	3.5435	0	0
		Shareholding at the end	0	0	0	0
10	Bay Capital Advisors Private Limited	134980	1.0286	134980	1.0286	
		No changes during the year		134980	1.0286	

11	Systematix Shares And Stocks (India) Limited (held on behalf of client)	0	0	0	0
	Purchased on 31.03.2016	669378	5.1009	669378	5.1009
	Shareholding at the end	669378	5.1009	669378	5.1009
12	Govind Agrawal	58200	0.4435	58200	0.4435
		No changes during the year		58200	0.4435

v) Shareholding of Directors and Key Managerial Personnel :

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1. Mr. Chandra Prakash Khandelwal				
At the beginning of the year	138215	1.0532	138215	1.0532
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change during the Year		No Change during the Year	
At the End of the year	138215	1.0532	138215	1.0532
2. Mrs. Anju Khandelwal				
At the beginning of the year	50803	0.3871	50803	0.3871
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change during the Year		No Change during the Year	
At the End of the year	50803	0.3871	50803	0.3871
3. Mr. Sunil Sarda (till 02.03.2016)				
At the beginning of the year	Nil	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change during the Year		No Change during the Year	
At the End of the year	Nil	Nil	Nil	Nil
4. Mr. Sanjay Khandelwal				
At the beginning of the year	Nil	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change during the Year		No Change during the Year	
At the End of the year	Nil	Nil	Nil	Nil
5. Mr. Mahesh Solanki				
At the beginning of the year	Nil	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change during the Year		No Change during the Year	
At the End of the year	Nil	Nil	Nil	Nil
6. Mr. Shriram Surajmal Khandelwal				
At the beginning of the year	Nil	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change during the Year		No Change during the Year	
At the End of the year	Nil	Nil	Nil	Nil

7. Mr. Pradeep Gotecha (CFO & Director)			
At the beginning of the year	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change during the Year		No Change during the Year
At the End of the year	Nil	Nil	Nil
8. Mr. Tushar Adhav (CS – till 22.06.2015)			
At the beginning of the year	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change during the Year		No Change during the Year
At the End of the year	Nil	Nil	Nil
9. Ms. Vrunda Dhanesha (CS- w. e. f. 14.08.2015)			
At the beginning of the year	Nil	Nil	Nil
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):	No Change during the Year		No Change during the Year
At the End of the year	Nil	Nil	Nil

V. INDEBTEDNESS :

Indebtedness of the Company including interest Outstanding/accrued but not due for payment

(₹ in Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	88.50	-	88.50
ii) Interest due but not paid	-	2.67	-	2.67
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	91.17	-	91.17
Change in Indebtedness during the financial year				
Addition	-	141.77	-	141.77
Reduction	-	10.50	-	10.50
Net Change		131.27	-	131.27
Indebtedness at the end of the financial year				
i) Principal Amount	-	209.42	-	209.42
ii) Interest due but not paid	-	13.02	-	13.02
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	222.44	-	222.44

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :**A Remuneration to Managing Director, Whole-time Directors and/or Manager :**

(₹ in Lacs)

Sl. No.	Particulars of Remuneration	Mr. Chandra Prakash Khandelwal	Total Amount
	Gross Salary		
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	18.00	18.00
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
2	Stock Options	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, specify....	-	-
5	Others, please specify	-	-
	Total (A)	18.00	18.00
	Ceiling as per the Act	30.00	

B. Remuneration to other directors:

1. Independent Director

Sl. No	Particulars of Remuneration	Mr. Mahesh Solanki	Mr. Shriram Surajmal Khandelwal	Mr. Sanjay Khandelwal	Total Amount
1	Fee for attending board / committee meetings	0.10	0.50	0.58	1.18
2	Commission	-	-	-	-
3	- Others, please Specify	-	-	-	-
	Total (B)(1)	0.10	0.50	0.58	1.18
	Ceiling as per the Act	₹ 1.00 Lac per meeting			

2. Other Non-Executive Director

Sl. No	Particulars of Remuneration	Mr. Sunil Sarda (Till 02.03.2016)	Mrs. Anju Khandelwal	Total Amount
1	Fee for attending board / committee meetings	0.10	0.15	0.25
2	Commission	-	-	-
3	- Others, please Specify	-	-	-
	Total (B)(2)	0.10	0.15	0.25
	Total (B)= (B)(1)+ (B)(2)			1.43
	Ceiling as per the Act	₹ 1.00 lac per meeting		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross Salary	3.81	8.61	12.42
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify....	-	-	-
5	Others, please specify	-	-	-
	Total (C)	3.81	8.61	12.42

VIII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES :

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty			NONE		
Punishment					
Compounding					
B. Directors					
Penalty			NONE		
Punishment					
Compounding					
C. Other Officers In Default					
Penalty			NONE		
Punishment					
Compounding					

NOMINATION AND REMUNERATION POLICY (u/s 178)**Introduction :**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing regulations as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel and other employees has been formulated by the Committee and approved by the Board of Directors. Objective and purpose of the Policy:

The objective and purpose of this policy are :

To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Key Managerial positions and to determine their remuneration.

To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the finance industry.

To carry out evaluation of the performance of Directors, as well as Key Managerial and others Personnel.

To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.

To retain, motivate and promote talent and also to ensure long term sustainability of talented managerial persons to create competitive advantage.

Note: The Nomination & Remuneration Policy is displayed on the website of the Company at www.systematixgroup.in

Annexure-V

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2015-16 (₹ in Lacs)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees	Remuneration of KMP as % of total revenue
1	Mr. Chandra Prakash Khandelwal Chairman & Managing Director	18	NIL	2.09	56.43%
2	Mr. Pradeep Gotecha CFO & Director	8.61	NIL	N.A.	26.99%
3	Mr. Tushar Aadhav Company Secretary	0.63	*	N.A.	*
4	Ms. Vrunda Dhanesha Company Secretary	3.18	**	N.A.	**

* Details not given as Mr. Tushar Aadhav was a Company Secretary only for the part of Financial year 2015-16

**Details not given as Ms. Vrunda Dhanesha appointed as company secretary w.e.f. 14.08.2015.

Note: No Director other than Managing Director received any remuneration other than sitting fees for the financial year 2015-2016.

- (ii) The median remuneration of employees of the company during the financial year was ₹ 8.61 Lacs.
- (iii) In the financial year 2015-2016, there was an decrease of 7.52 % in the median remuneration of employees.
- (iv) There were 4 permanent employees on the rolls of the Company as on March 31, 2016.
- (v) Relationship between average increase in remuneration and company performance:- N.A.

- (vi) Comparison of remuneration of the Key Managerial Personnel against the performance of the Company :

(₹ in Lacs)

Total Revenue	Total Remuneration of KMPs	Total Remuneration as % to Total Revenue
31.90	30.42	95.36%

- (vii) variations in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

The market capitalization of the Company has increased from ₹ 2106.17 Lacs as at March 31, 2015 to ₹ 2348.94 Lacs as at March 31, 2016.

The Company's stock price as at March 31, 2016 was ₹ 17.90/- per share (as quoted on BSE Limited), and ₹ 16.05/- per share as at March 31, 2015.

- (viii) The average percentage increase in managerial remuneration was NIL
- (ix) key parameters for any variable component of remuneration availed by the directors: None
- (x) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: N.A.
- (xi) affirmation that the remuneration is as per the remuneration policy of the company:

It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

MD & CFO Certification

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Systematix Corporate Services Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2016 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c. We hereby declare that all the members of the Board of Directors and Senior Management and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. We are responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- e. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over the financial reporting.

**For and on behalf of the Board of Directors
Systematix Corporate Services Limited**

Sd/-
Chandra Prakash Khandelwal
Managing Director
DIN: 00016373

sd/-
Pradeep Gotecha
Director & CFO
DIN: 03154115

Place: Mumbai
Date: 11.08.2016

CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2016.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance broadly refers to a set of rules and practices designed to govern the behavior of corporate enterprises. The Company's philosophy on Corporate Governance envisages integrity, accountability, responsibility and transparency in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, lenders, government, suppliers, clients etc. and accordingly lays great emphasis on regulatory compliances. The Company firmly believes that Corporate Governance is a powerful tool to sub serve the long term growth of the Company and continues to give high priority to the principles and practices of good Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of corporate governance as laid down in chapter V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the listing agreement entered by the Company with BSE.

Governance Structure:

Systematix Corporate Services Limited, the company's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

The Company ensures timely disclosures and sharing of accurate information about financials and performance as well as leadership and governance of the Company.

The Corporate Governance philosophy of the Company rests on five basic tenets viz., Board's accountability, value creation, strategic guidance, transparency and equitable treatment to all stakeholders.

2. BOARD OF DIRECTORS (BOARD):

(a) Composition:

The Company has an optimum combination of Executive and Non-Executive Directors, in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to maintain the independence of the Board and to separate the Board functions of governance and management.

As on 31st March, 2016, the Board consists of 6 (Six) Directors, 3 (Three) of whom are Non-Executive Independent Directors. All members of the Board are persons with considerable experience and expertise in the Industry.

The Executive Director provides leadership to the Board and to the Management in strategizing and realizing business objectives and is supported by Independent Directors. The Independent Directors contribute by giving their valuable guidance and inputs with their independent judgment on the overall business strategies and performance.

None of the Directors on the Board is a Member of more than ten (10) Committees and Chairman of more than five (5) Committees (as specified in Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), across all the companies in which he/she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

The Composition and the category of Directors on the Board of the Company as at 31st March, 2016 were as under:

Category	Name of Directors
Executive Chairman and Managing Director	Mr. Chandra Prakash Khandelwal
Non-Executive Director	Mrs. Anju Khandelwal
Executive Director	Mr. Pradeep Gotecha
Independent Non-Executive Directors	Mr. Mahesh Solanki Mr. Sanjay Khandelwal Mr. Shriram Surajmal Khandelwal

(b) Number of Board Meetings:

The Board meets at least once in each quarter, inter-alia to review the quarterly results and other matters. In addition, the Board also meets whenever necessary. The Board periodically reviews compliance reports of all laws applicable to the Company. Steps are taken by the Company to rectify instances of non-compliances, if any.

Board Meeting held during the year.

Board Meetings held during the Year	Total Strength of the Board	No. of Directors Present
29 th May, 2015	6	3
14 th August, 2015	6	4
5 th November, 2015	6	5
2 nd January, 2016	6	4
9 th February, 2016	7	5

(c) Changes in Board Composition:

During the financial year, Mr. Pradeep Gotecha has been appointed as Additional Director w.e.f. 2nd January, 2016 and Mr. Sunil Sarada has resigned from the post of Director w.e.f. 2nd March, 2016.

(d) Director's Attendance Record and Directorships:

Attendance at Board Meetings held during financial year 2015-16 and at the last AGM, number of Directorships, Memberships / Chairmanships in Public Companies during financial year 2015-16.

Name of Director	Category of Directorship	No. of Board meetings attended	Attended the last AGM	Number of directorships in other Companies	No. of Committee positions held in other Public Limited Companies	
					Chairman	Member
Mr. Chandra Prakash Khandelwal	Executive Chairman & Managing Director	2	Yes	17	2	0

Mrs. Anju Khandelwal	Non-Executive Director	2	Yes	14	0	0
*Mr. Sunil Sarda	Non-Executive Director	5	Yes	10	0	0
Mr. Sanjay Khandelwal	Non-Executive Independent Director	5	No	4	0	2
Mr. Mahesh Solanki	Non-Executive Independent Director	1	Yes	0	0	0
Mr. Shriram Surajmal Khandelwal	Non-Executive Independent Director	5	No	5	0	0
**Mr. Pradeep Gotecha	Executive Director	1	No	4	0	0

*Mr. Sunil Sarda resigned on 02.03.2016

**Mr. Pradeep Gotecha was appointed w.e.f. 02.01.2016

The number of directorships and the positions held on Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31st March, 2016.

Certificates have also been obtained from Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013, read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(e) Independent Directors:

All the Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and the Rules made thereunder and meet the requirement of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Formal letters of appointment have been issued to the Independent Directors. The terms and conditions of their appointment and the familiarization programme for Independent Directors are disclosed on the Company's website at www.systematixgroup.in

(f) Familiarization Programme for Independent Directors:

The Board members are also provided with the necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Board and Committee members are apprised of business and performance updates, business strategy and risks involved. No separate familiarization programme are conducted, the Board Members are updated in the Board Meeting.

(g) Code of Conduct:

The Company has adopted Code of Conduct Policy for the Board Members and Senior Management of the Company which is applicable to the Board of Directors including Independent Directors and Senior Management Personnel as defined in the Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the website of the Company at www.systematixgroup.in

All Board members and senior management have confirmed compliance with the Code for the year ended 31st March, 2016.

Code of Conduct for Insider Trading:

The Company has adopted a Code of Conduct for Prevention of Insider Trading, 2015 in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the website of the Company at www.systematixgroup.in

(h) Remuneration of Directors:

All Executive Director(s) receive salary, allowances and perquisites while Non-Executive Independent Directors receive sitting fees for attending Board and Committee meetings. Payment of remuneration to the Executive Director is governed by a resolution approved by the shareholders of the Company.

The Remuneration (including perquisites and benefits) paid to the Executive & Non – Executive Director during the period ended 31st March, 2016, is as follows:

(₹ in Lacs)

Name of Directors	Sitting Fees (in Rs.)	Salaries & Perquisites	Total (in Rs.)
Mr. Chandra Prakash Khandelwal	-	18.00	18.00
Mrs. Anju Khandelwal	0.15	-	0.15
Mr. Sunil Sarda	0.10	-	0.10
Mr. Sanjay Khandelwal	0.58	-	0.58
Mr. Mahesh Solanki	0.10	-	0.10
Mr. Shriram Surajmal Khandelwal	0.50	-	0.50
Mr. Pradeep Gotecha	-	8.61	8.61

3. BOARD COMMITTEES:

In compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable laws, the Board constituted the following committees:

(a) Audit Committee (b) Stakeholders Relationship Committee (c) Nomination & Remuneration Committee.

The Board determines the constitution of the committees and the terms of reference for committee members, including their roles and responsibilities.

(a) Audit Committee

The Audit Committee comprises of three (3) Directors Comprising all Non-Executive Independent Directors as members.

All the members are financially literate and have accounting / related financial management expertise.

The Audit Committee functions according to its Charter that defines its composition, authority,

responsibilities and reporting functions. The terms of reference of the Audit Committee, inter alia, includes the following function:

Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

Recommendation for appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;

Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

Reviewing with the management, the annual financial statements and Auditor's Report thereon before submission to the Board of Directors for approval, with particular reference to:

- Matters required to be included in the director's responsibility statement to be included in the Board of Directors' report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified opinion(s) in the draft audit report;

Reviewing with the management the quarterly financial statements before submission to the Board of Directors for approval;

Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;

approval or any subsequent modification of transactions of the listed entity with related parties;

scrutiny of inter-corporate loans and investments;

valuation of undertakings or assets of the listed entity, wherever it is necessary;

evaluation of internal financial controls and risk management systems;

reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

Discussion with internal auditors of any significant findings and follow up there on;

Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;

Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;

To look into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

To review the functioning of the whistle blowing mechanism;

Approval of appointment of the chief financial officer after assessing, the qualifications, experience and background, etc of the candidate;

To review the financial statements, in particular the investment made by unlisted subsidiary company;

Carrying out other functions as may be specifically referred to the Committee by the Board of Directors;

To review the following;

- Management discussion and analysis of financial condition and results of operations
- Statement of significant party transactions (as defined by the Audit Committee), submitted by management
- Management letters / letters of internal control weaknesses issued by the statutory auditors
- Internal audit reports relating to internal control weaknesses and
- The appointment, removal and terms of remuneration of the Internal auditors
- Statement of deviations:
 - (a) Quarterly statements of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1)
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus / notice in terms of regulation 32(7).

The Audit Committee also advises the Management on the areas where internal control system can be improved.

Meetings of the Committee:

4 (four) meetings of the Audit Committee were held during the Financial year, i.e. on 29th May, 2015, 14th August, 2015, 5th November, 2015 and 9th February, 2016. Necessary quorum was present at all the meetings.

The details of meetings attended by the Directors/ members are given below:

Sr. No.	Name of Committee Members	Category	No. of Meetings attended
1	Mr. Mahesh Solanki	Non- Executive Independent Director	1
2	*Mr. Sunil Sarda	Non- Executive Non-Independent Director	4
3	Mr. Shriram Surajmal Khandelwal	Non- Executive Independent Director	4
4	Mr. Sanjay Khandelwal	Non- Executive Independent Director	4

*Mr. Sunil Sarda resigned on 02.03.2016

Note: Mr. Mahesh Solanki, Chairman of the Audit Committee, was present at the previous Annual General Meeting held on 30th September, 2015.

The meetings of the Audit Committee are usually attended by the Chief Financial Officer, the Company Secretary and Statutory Auditors. The Business Operation Heads are invited to the Meetings, as and when required. The Company Secretary acts as the secretary to the Committee.

(b) Stakeholders Relationship Committee

The Stakeholders Relationship Committee (SRC) comprises of three (3) Directors Comprising of one (1) Non-Executive Non-Independent Director and Two (2) Non-Executive Independent Director, The SRC's composition and terms of reference meet with the requirements of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Companies Act, 2013.

Terms of reference

The terms of reference / powers of the Stakeholders Relationship Committee are as under:

To look into the redressal of grievances of shareholders and other security holders, including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends;

To oversee the performance of the Registrars & Transfer Agents of the Company;

To monitor the implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 2015;

To carry out such other functions as may be directed by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable; and

To perform such other functions as may be necessary or appropriate for the performance of its duties.

Meetings of the Committee:

4 (four) meetings of the Stakeholders Relationship Committee were held during the year ended 31st March, 2016, i.e. on 29th May, 2015, 14th August, 2015, 5th November, 2015 and 9th February, 2016. Necessary quorum was present at all the meetings.

The details of meetings attended by the Directors are given below:

Sr. No.	Name of Committee Members	Category	No. of Meetings attended
1	* Mr. Sunil Sarda	Non- Executive Non-Independent Director	4
2	Mrs. Anju Khandelwal	Non- Executive Non-Independent Director	3
3	Mr. Mahesh Solanki	Non- Executive Independent Director	1
4	Mr. Sanjay Khandelwal	Non- Executive Independent Director	4

*Mr. Sunil Sarda resigned on 02.03.2016

Note: Mr. Sunil Sarda Chairman of the Stakeholders Relationship Committee was present at the previous Annual General Meeting held on 30th September, 2015.

No queries/ complaints were received by the Company from shareholders. There were no pending letters/ complaints. The status of Shareholders' complaints received upto 31st March, 2016 is as stated below:

No. of Complaints received during the period ended 31st March, 2016	-
No. of Complaints resolved as on 31st March, 2016	-
No of Complaints pending as on 31st March, 2016	-
No. of Pending share transfers as on 31st March, 2016	-

Name, Designation and Address of the Compliance Officer:

Ms. Vrunda Dhanesha

Company Secretary & Compliance Officer

Systematix Corporate Services Limited

"The Capital", Rs.A' Wing, 6th Floor, No. 603-606,

Plot No. C-70, 'G' Block, Bandra-Kurla Complex,

Bandra (East), Mumbai – 400 051

Tel No.: +91-22-3029 8000/ 66198000; Fax No.: +91-22-3029 8029/ 6619 8029

E-mail: secretarial@systematixgroup.in

Web: www.systematixgroup.in

(c) Nomination & Remuneration Committee:

Nomination and Remuneration Committee' comprises of Three (3) Non-Executive Independent Directors as members.

The Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

Formulation of criteria for evaluation of Independent Directors, the Board and every director's performance.

Evaluation of the performance of every director whether to extend or continue the term of appointment of independent director on the basis of the report of performance evaluation of independent directors.

Devising a policy on Board diversity.

3 (Three) meetings of the Nomination and Remuneration Committee were held during the year ended 31st March, 2016, i.e. on 14th August, 2015, 2nd January, 2016 and 9th February, 2016. Necessary quorum was present at all the meetings.

The details of meetings attended by the Directors are given below:

Sr. No.	Name of Committee Members	Category	No. of Meetings attended
1	Mr. Mahesh Solanki	Non-Executive Independent Director	0
2	Mr. Shriram Surajmal Khandelwal	Non- Executive Independent Director	3
3	Mr. Sanjay Khandelwal	Non- Executive Independent Director	3

Remuneration policy:

The Committee has formulated a policy on Nomination and Remuneration of Director, Key Managerial Personnel and Senior Management which is attached as Annexure IV to the Directors Report and has been published on the website of the Company at www.systematixgroup.in

The remuneration of the Managing Director and Executive Directors are decided by the Nomination and Remuneration Committee based on the Company's performance vis-à-vis the industry performance/track record of the Managing Director and Executive Directors and same is reported to the Board of Directors. The Company pays remuneration by way of salary to its Managing Director. Increment(s) are decided by the Nomination and Remuneration Committee within the overall limits approved by the Members.

4. DISCLOSURES :

4.1 Related Party Transaction :

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. Declarations have been received from the senior management personnel to this effect.

The Policy for Related Party Transactions is displayed on the website of the Company at www.systematixgroup.in

4.2 Statutory Compliance, Penalties and Strictures :

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.

4.3 Disclosure of Accounting Treatment :

The financial statements are prepared on accrual basis of accounting and in accordance with the Indian GAAP, provisions of the Companies Act, 2013, and comply in material aspects with the Accounting Standards notified under the Act read with rules prescribed there under with rules.

4.4 Whistle Blower Policy :

The Whistle Blower Policy encourages Directors and employees to bring to the Company's attention, instances of unethical behavior, actual or suspected incidents of fraud or violation of the Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation. The Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. It is the Company's Policy to ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company. The practice of the Whistle Blower Policy is overseen by the Audit Committee of the Board.

4.5 CEO / CFO Certification :

The Chairman and Managing Director and Chief Financial Officer of the Company gives annual certification on financial reporting and internal controls to the Board in terms of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015. The Chairman and Managing Director and Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board in terms of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and listing Agreement with BSE Limited.

4.6 Details of Material Subsidiary

The Policy for Determining 'Material' Subsidiaries is displayed on the website of the Company at www.systematixgroup.in

5. INSIDER TRADING POLICY

The Company has implemented an Insider Trading Policy to comply with the relevant Insider Trading Regulations. In accordance with the policy, the Company announces quiet period for designated employees from time to time.

The Company has a policy of observing a 'quiet period' from the date of intimation of Board Meeting till two trading days after the financial results are published. The Company may also announce 'quiet period' during and after the occurrence of certain events mentioned in the Insider Trading Policy.

The Company is strictly monitoring its Insider Trading Policy.

6. COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS

6.1 Management Discussion and Analysis Report

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. COMPLIANCE WITH NON- MANDATORY REQUIREMENTS:

7.1 Means of Communication

Quarterly results

The Quarterly financial results of the Company will be published in the newspapers, namely Free Press Journal and Choutha Sansar. At the same time, the results are also displayed on the website of the Company at www.systematixgroup.in

The Company has created an exclusive e-mail id secretarial@systematixgroup.in for the investors. The investors can directly send their grievances to the Compliance Officer.

Website

The Company's website www.systematixgroup.in contains dedicated section INVESTOR RELATIONS where shareholders' information is available. The Annual Report of the Company is also available on the website in a user friendly and downloadable form.

Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report and Auditor's Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website www.systematixgroup.in

BSE Corporate Compliance & Listing Centre (the 'Listing Centre')

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES)

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated Exclusive email-id

The Company has designated the following email-ids exclusively for investor servicing.

- For queries on Annual Report – secretarial@systematixgroup.in
- For queries in respect of equity shares of the Company: secretarial@systematixgroup.in

7.2 Auditor's Certificate on Corporate Governance

In terms of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Statutory Auditors' Certificate that the Company has complied with the conditions of Corporate Governance is annexed to the Report of the Directors & Management Discussion and Analysis. This Certificate will be forwarded to the Stock Exchanges alongwith the Annual Report of the Company.

7.3 Review of Governance practices

We have in this report attempted to present the governance practices and principles being followed at Systematix Corporate Services Limited as evolved over the years, and as best suited to the needs of our business and stakeholders.

Our disclosures and governance practices are continually revisited, reviewed and revised to respond to the dynamic needs of our business and ensure that our standards are at par with the globally recognized practices of governance so as to meet the expectations of our stakeholders.

8. DETAILS ON GENERAL BODY MEETINGS

8.1 Date, Time and Venue for the last three Annual General Meetings held

Financial years	Dates	Time	Venues
2014-2015	30.09.2015	11.00 A.M	206-207, Bansi Trade Centre, 581/5, M. G. Road, Indore – 452001, Madhya Pradesh.
2013-2014	30.09.2014	11.00 A.M	206-207, Bansi Trade Centre, 581/5, M. G. Road, Indore – 452001, Madhya Pradesh.
2012-2013	28.09.2013	10.00 A.M	206-207, Bansi Trade Centre, 581/5, M. G. Road, Indore – 452001, Madhya Pradesh.

8.2 Details of the Special Resolutions passed in the previous three AGM

- (a) **At the AGM held on 30th September, 2015: NIL**
 (b) **At the AGM held on 30th September, 2014**

The following special resolution(s) were passed in the previous annual general meetings:

- i. Pursuant to Section 180(1) (c) of the Companies Act, 2013 to increase in the borrowing powers.
- ii. To Create Charge on the Assets of the Company pursuant to Section 180(1) (a) of the Companies Act, 2013.
- iii. For Re-appointment of Mr. Chandra Prakash Khandelwal, (DIN 00016373) Managing Director for the period of three years.
- iv. For Adoption of New set of Articles pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 (statutory modification (s) or re-enactment thereof), for the time being in force.

- (c) **At the AGM held on 28th September, 2013: NIL**

9. GENERAL SHAREHOLDERS INFORMATION**Company Registration Details**

The Company is registered in the State of Madhya Pradesh, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L91990MP1985PLC002969

Annual General Meeting Day, Date, Time & Venue	Friday, 30.09.2016 at 11.00 a.m. at the registered office of the Company at 206-207, Bansi Trade Centre, 581/5, M. G. Road, Indore – 452001, Madhya Pradesh.
Financial year	April 1 to March 31
Book Closure Date	24.09.2016 to 30.09.2016 (both days inclusive) for the purpose of Annual General Meeting.
Dividend Payment	NA
Listed on Stock Exchanges	BSE Limited (BSE) P.J. Tower, Dalal Street, Fort, Mumbai – 400 001.
Stock Code / Symbol	BSE: 526506 / SYSTMTXC
Payment of Listing Fee	The annual Listing Fees for the year 2015-2016 has been paid to the concerned Stock Exchanges.
In case securities are suspended from trading, the directors report shall explain the reason thereof	NA

Financial Calendar 2016-17 (Tentative):

Financial Reporting for the quarter ending June 30, 2016	2 nd Week of August, 2016
Financial Reporting for the quarter ending September 30, 2016	2 nd Week of November, 2016
Financial Reporting for the quarter ending December 31, 2016	2 nd Week of February, 2017
Financial Reporting for the quarter ending March 31, 2017	3 rd Week of May, 2017

Share Transfer Agents and Share Transfer System

Systematix Corporate Services Limited has appointed **Cameo Corporate Services Limited** as Registrars and Transfer Agents (RTA) to handle the physical Share Transfer related work and for Electronic connectivity as per the directives of SEBI. The Company's equity shares are traded on the BSE Ltd compulsorily in Demat mode. The Share Holders & Investors Grievances Committee meets periodically for dealing with matters concerning securities of the Company.

For transfer of shares in physical form, the Company has introduced transfer cum Demat facility to avoid unnecessary mailing of Certificates. Certificates duly transferred are returned to those, who opt to receive certificates in physical form.

There are no legal proceedings against the Company on any share transfer matter.

Stock Market Price Data:

Month	Company's Share price on BSE			BSE Sensex	
	High Price	Low Price	Volume	High	Low
April 2015	32.40	13.15	306,795	29,094.61	26,897.54
May 2015	30.20	28.60	12,809	28,071.16	26,423.99
June 2015	27.25	27.20	10,886	27,968.75	26,307.07
July 2015	26.60	19.75	177,850	28,578.33	27,416.39
August 2015	24.60	20.05	131,397	28,417.59	25,298.42
September 2015	19.90	16.60	177,006	26,471.82	24,833.54
October 2015	17.70	15.45	31,724	27,618.14	26,168.71
November 2015	17.40	16.00	4,911	26,824.30	25,451.42
December 2015	18.20	13.50	136,420	26,256.42	24,867.73
January 2016	19.70	15.70	8,633,322	26,197.27	23,839.76
February 2016	19.00	19.00	19	25,002.32	22,494.61
March 2016	19.00	17.90	12,732,871	25,479.62	23,133.18

Distribution of Shareholding as on 31st March, 2016

Shareholding of Nominal Value (₹)	No. of shareholders	% of Total	Share Amount (in ₹)	% of Total
10- 5000	1796	79.7867	3917650	2.9854
5001 - 10000	211	9.3736	1708440	1.3019
10001 – 20000	118	5.2421	1778570	1.3553
20001 - 30000	36	1.5992	930370	0.7089
30001 - 40000	28	1.2438	999980	0.7620
40001 – 50000	14	0.6219	655860	0.4997
50001 - 100000	22	0.9773	1525570	1.1625
100001 & Above	26	1.1550	119709140	91.2239

Shareholding Pattern

Table below gives the pattern of shareholding by ownership and Share Class respectively:

a. Pattern of shareholding as on 31st March, 2016

	Category	No. of Shares held	% of Shareholding
A.	Promoters		
(1)	Indian		
a)	Individual / HUF	537951	4.10
b)	Central Govt.	-	-
c)	State Govt.(s)	-	-
d)	Banks / FI	-	-
e)	Any Other		
	Bodies Corporate	4733804	36.07
	Sub-Total (A)(1):	5271755	40.17
(2)	Foreign		
a)	Individuals (NRI/ Foreign Individuals)	-	-
b)	Government	-	-
c)	Institutions	-	-
d)	Foreign Portfolio Investor	-	-
e)	Any Other	-	-
	Sub-Total (A)(2):	-	-
	Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	5271755	40.17
B.	Public Shareholding		
(1)	Institutions		
a)	Mutual Funds / UTI	-	-
b)	Venture Capital Funds	-	-
c)	Alternate Investment Funds	-	-
d)	Foreign Venture Capital Investors	-	-
e)	Foreign Portfolio Investors	1061621	8.09
f)	Banks / FI	-	-
g)	Insurance Companies	-	-
h)	Provident Funds/ Pension Funds	-	-
i)	Others (specify)	-	-
	Sub-Total (B)(1):	1061621	8.09
(2)	Central Government/ State Government(s)/ President of India	-	-
	Sub-Total (B)(2):	-	-
(3)	Non-Institutions		
a)	Individuals	1114158	8.49
i)	Individual Shareholders holding nominal share capital upto ₹ 2 lakhs		
ii)	Individual Shareholders holding nominal share capital in excess of ₹ 2 lakhs	139142	1.06
b)	NBFCs registered with RBI	-	-
c)	Employee Trusts	-	-
d)	Overseas Depositories (holding DRs)	-	-
e)	Others (specify)		
i)	Bodies Corporate	4772454	36.37
ii)	Clearing Members	669383	5.10

iii)	Hindu Undivided Families	92445	0.70
vi)	NRI	1600	0.01
	Sub-Total (B)(3):	6789182	51.74
	Total Public Shareholding (B)=(B)(1)+(B)(2)+ (B)(3)	7850803	59.83
C.	Non Promoter-Non Public Shareholding		
(1)	Custodian/ DR Holder	-	-
(2)	Employee Benefit Trust	-	-
	Grand Total (A+B+C)	13122558	100.00

Reconciliation of Share Capital Audit :

As stipulated by SEBI, a qualified practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The report, inter alia, confirms that the total listed and paid-up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in physical mode.

b. Dematerialization of Shares as on 31st March, 2016

Particulars	No. of Equity Shares	% to Share Capital
NSDL	2023729	15.42
CDSL	10380919	79.11
Physical	717910	5.47
TOTAL	13122558	100

Dematerialization

The ISIN of the Scrip is INE356B01016

As on 31st March, 2016, Dematerialized shares accounted for 94.53% of the total equity. The Company has appointed **CAMEO CORPORATE SERVICES LIMITED** as RTA to handle the physical Share Transfer related work and for Electronic connectivity as detailed below:

CAMEO CORPORATE SERVICES LIMITED

Subramanian Building, No.1,
Club House Road, Chennai – 600002.

Tamilnadu

Tel No.: 044 - 22846039

Fax No.: 044 – 28460129

E-mail: cameo@cameoindia.com

Web: www.cameoindia.com

Contact Person: Mr. Murali

Details of Public Funding Obtained in the Last Three Years

No capital has been raised from public in the last three years.

CORRESPONDENCE ADDRESS FOR INVESTOR

Secretarial Department,

Systematix Corporate Services Limited

"The Capital", Rs.A' Wing, 6th Floor, No. 603-606,

Plot No. C-70, 'G' Block, Bandra-Kurla Complex,

Bandra (East), Mumbai – 400 051

Tel No.: +91-22-3029 8000/66198000; Fax No.: +91-22-3029 8029/6619 8029

E-mail: secretarial@systematixgroup.in

Contact person: Ms. Vrunda Dhanesha, Compliance Officer

For and on behalf of the Board of Directors

Sd/-

Chandra Prakash Khandelwal

Chairman & Managing Director

DIN: 00016373

Date: 11.08.2016

Place: Mumbai

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Systematix Corporate Services Limited,

We have examined the compliance of the Corporate Governance by Systematix Corporate Services Ltd. for the year ended 31st March, 2016 as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of the condition of the Corporate Governance is the responsibility of the management. Our examination has been limited to the review of the procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement 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 SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

As required by guidance note issued by the Institute of Chartered Accountants of India, the records relating to investor grievances pending against the Company, if any, is maintained by the Registrar and Share Transfer Agent of the Company, who have certified that as at 31st March, 2016, no grievances was unattended / pending for more than 30 days.

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

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

Place: Chennai
Date: 11-Aug-2016

Sd/-
K.V. Srinivasan
Partner
M. No. 204368

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

REVIEW OF MACRO-ECONOMIC ENVIRONMENT FY2015-16 & OUTLOOK FOR FY 2016-17:

Global Economy:

Advanced economies led by the US showed some signs of improvement, owing to continuing easy fiscal policies and strengthening housing and labour markets, while the overall growth outlook remains modest as they still deal with the damages of the global financial crisis. Global growth is forecast to remain modest at 3.2% in 2016, strengthening in 2017 and beyond. With slackening global trade prospects and weak commodity prices, global growth is projected to increase slightly from 3.1% in 2015 to 3.2% in 2016 to 3.5% in 2017 according to the International Monetary Fund (IMF). Growth in currently distressed economies of Brazil, Russia, LATAM and Middle East, while remaining weak or negative, is projected to rise and expected to turn positive in LATAM and CIS with substantial pick up in sub-Saharan Africa. Growth in these economies may offset the impact of Chinese slowdown. Among advanced economies, growth is projected to increase only marginally owing to the expectations of growth decline in Japan (due to higher consumption tax). Despite slackening Chinese economy, emerging market and developing economies are projected to witness modest growth.

Indian Economy:

The decoupling of growth between advanced economies and emerging markets is getting more pronounced which is creating volatility and uncertainty in the markets. Persistent low interest rates, which cast a shadow on the capabilities of central banks to stimulate growth and stability, make the outlook on global financial markets highly uncertain. Amidst this gloomy landscape, India stands out as a haven of stability and an outpost of opportunity. According to the Advance Estimates published by the Ministry of Statistics & Programme Implementation, India's GDP growth rate in the FY 2015-16 is estimated at 7.6%, as compared to the growth rate of 7.2% in 2014-15, an increase of 0.4% mainly on the back of recent policy initiatives, pick up in investments and lower oil prices. Going forward, growth rate is estimated at 7.5% by IMF (7.6% by RBI), which would mean that India will outpace most emerging economies including China. The government has decided to stick to the path of fiscal prudence and achieve deficit targets of 3.9% GDP in FY16 and 3.5% GDP in FY17. The current account deficit (CAD) for FY 2015-16 is estimated at ~1% of GDP. In the past, CAD has been comfortably financed by net capital inflows, mainly in the form of buoyant portfolio flows but also supported by foreign direct investment inflows and external commercial borrowings. The exchange rate during FY 2015-16 averaged ₹ 65.45 per US\$ after touching an all-time high of Rs. 68.71 per US\$. Foreign exchange reserves were US\$ 359.76 billion as on April 1, 2016. In FY 2015-16, RBI adopted an accommodative, though cautious, policy stance to set the economy firmly on the disinflation path. The annual rate of inflation, based on monthly WPI, stands at -2.53% in FY 2015-16 as against 2.00% in FY 2014-15. Inflation being well in control, The RBI reduced the Repo rate two times in FY 2015-16 totaling 75bps as a response to comfortable inflationary trajectory.

Equity Markets FY2016:

The large-cap benchmark, Nifty 50, was down 8.86% YoY in FY2016 (in INR terms). The multi-cap benchmark, Nifty 500, was down 7.54% for the year. The dips were seen across almost all the quarters of the year. Pull-out of FII monies due to profit booking, migration on towards safer assets and geographies, reduction on in emerging market exposure following the commodity slump and dip in investible surplus were some challenges that impacted the markets. However, strong macro situation, growth expectations and reducing rates in fixed income led to inflows of DII monies, which helped counter the FII outflow to some extent. Nifty 50's average P/E in FY2016 was 21.04x, while the 5-Year historical average is 17.48x. Similarly, Nifty 500's average P/E in FY2016 was 22.81x with a 5-Year historical average of 17.87x. NSE market capitalization on stood at ₹ 93.10 tn, as of 31st March, 2016. This was down 6.24% for the year (in INR terms). However, the long-term performance in market capitalization remains strong, with the 10-Year CAGR at 12.71%. Market performance remained disappointing across quarters, in both large-cap and multi-cap indices. Large-caps led the drop for most of the year, while mid-caps followed towards the year-end. Nifty outperformed most Emerging Market peers in US\$ terms in the long-term, except China. The year FY2016 has been rough for most major markets world-over, not just for India.

Outlook for FY2017

The Global economy is expected to show a further moderation in growth during FY2017, with the major drag being provided by the continuing slowdown in China and Europe. The US economy is expected to continue its growth path albeit at a rate lower. We do not expect a further Fed rate hike during FY2017, but are expecting a hawkish tonality to be maintained through the year. India is expected to stand out as a shining star among the slack Emerging Markets and continue to attract healthy FII flows. With inflation under control, the RBI is expected to maintain the down trend interest rates and a healthy monsoon should help accelerate this process. The ongoing reforms process should continue its forward roll, with the GST expected to be passed during FY17 and implemented from 1 April 2017. With Corporate Earnings expected to recover in FY2017, we expect the year to be good for the Indian stock markets, as well lay a strong foundation for continuing fundamental growth.

SYSTEMATIX OVERVIEW

Systematix Corporate Services Limited (SCSL) has come a long way since its incorporation more than two decades ago. The Company is a SEBI registered 'Category I' Merchant Banker and consists of 4 subsidiaries. Your Company's operations are organized around four broad business lines – Public Issues/ Right issues, Debt Syndication, Private Placements and SME Listings for its prestigious corporate clients. With a knowledge centric approach and our mission to provide our customers with secure, customized and comprehensive financial solutions and thereby achieve sustained growth we have restructured ourselves through a hub-and-spoke model and have become a one stop service provider of financial services across various assets classes during the year. Through its four subsidiaries, your Company has established its presence in the Wealth Management, Institutional Broking, Commodities and Loan Syndication businesses. Your Company, through its subsidiaries, has facilities at around 580 locations via branches & franchisees, spread across 19 states and around 132 cities, targeting a strong client base across India.

This strategy is complemented by the following strengths:

- Diversified revenue streams with a balanced mix of revenue from various businesses
- Strong and liquid balance sheet
- Cost flexibility
- Risk Management
- People and culture

As a result, Systematix has emerged as a truly diversified Financial Super Mart with a wide selection of products and services spanning multiple asset classes and consumer segments. Now SCSL offers Equity, Commodities, Currency, IRF, SLBs, Depository Service, Online Trading, IPO and Mutual Fund Distribution, PMS, Loan against Shares apart from merchant and investment banking services to various clients. We maintain our focus on building a long term sustainable business structured around the strengths of our scalable technology platform, enhanced customer service and the introduction of applications that enhance customer experience.

SERVICES OFFERED:

Merchant Banking:

During FY2016, although the overall equity raised (including QIP) was slightly lower at ₹ 38,642 cr., down by 1.33% as compared to the ₹ 39,163 cr. raised in FY2015, there was a significant increase in equity raised via the primary market, with 74 IPOs garnering ₹ 14,815 cr., up almost 350% over FY2015. FY2016 also witnessed an increase of 36.87% in equity raised via Rights Issues, despite a fall in the number of issues from 18 to 13. The cumulative amount mobilized through the QIP route fell sharply by almost 50%, from ₹ 29,102 cr. in FY2015 to ₹ 14,588 cr. in FY2016. Total debt raised through public issue rose to ₹ 34,112 cr. in FY2016 as against just ₹ 9,413 cr. in FY2015, an increase of more than 260%. The overall amount raised through Primary Markets (Equity plus Debt) increased by more than 200% during FY2016.

Your company, Merchant Banking Division comprises of a group of highly experienced professionals with diverse expertise in merchant and investment banking with special skills in assisting medium sized companies going public. We help companies to raise capital during the seed, growth and expansion phases as well as acquisition financing and structuring the deal to maximize value for all its stakeholders. The comprehensive range of services from conception to completion provided under one roof reinforces our commitment on quality assurances through total involvement. The team have more than a decade experience in the capital markets and have handled a variety of deals across several key sectors such as hospitality, automobiles, retail, engineering, media & entertainment, infrastructure, logistics, metals & mining, pharmaceuticals, power, banking & financial services, telecom & IT among others. During the year under review, the division has gone down around 80.23% to ₹ 31.90 Lakh as compared to last year of ₹ 161.35 Lakh. Our offerings are as follows:

- Open Offers/ Delisting / Buy-backs
- IPOs/ Rights Issues/Follow-on Public Offers
- Equity / Debt placements
- Valuations
- ESOP Advisory
- Other Corporate Advisory Services

Financing & Other Activities:

The income from financing & other activities was ₹1958.52 Lakh, marginally increase by 10.58% over the preceding year. The Company's product offerings include activities like financing against shares and margin funding.

Wealth Management:

We have built our Wealth Management offering with a passion for excellence. The Wealth Management team at Systematix works with the objective of providing our clients with a bouquet of smart investment products, each analyzed and evaluated meticulously and thereafter blended together to precisely meet your unique investment needs. We have an enviable research team that spans multiple asset classes bringing insightful research to our team of wealth managers. The proximity and connectivity of our Management with industry enables us to view in closer detail, the companies we study for investing.

Our approach is entirely client-centric, which means that the services and products will be tailored to suit your specific requirements, while we build the wealth management plan around you. We draw from our expertise spanning every aspect of wealth management to create solutions for exclusively for you. What makes us truly different is what we do after you make the investments, we constantly monitoring of your investments, fine tuning them to dynamic external scenario of today.

Distribution and marketing income comprises commission, brokerage and marketing income generated from distribution of third party products such as insurance, mutual funds, IPO and online marketing on the Company's website. A part of the income is contributed by commission and brokerage on Mutual Fund Distribution from the wealth management platform. During the year company's income from distribution and marketing was ₹162.02 Lakh as compared to ₹147.82 Lakh earnings & increased by 9.61 % from last year.

Systematix Wealth Management has a dual structure where Private Client Group offers personalized advisory services, on the other side Portfolio Management Services offers personalized asset management services.

Portfolio Management Services:

Portfolio Management Service (PMS) is a sophisticated investment vehicle that offers customized investment strategies to capitalize on opportunities in the market. Efficient Investment Management requires time, knowledge, understanding, expertise and constant monitoring of developments in micro and macro economical environment. That is difficult for investors because of involvement in its own business profession and other activities.

For those who need an expert to help to manage their investments, PMS is the right answer. An experienced Fund Manager considers your financial goals and market environment to form a right investment strategy that is best suitable for your portfolio. Given the unpredictable nature of the markets, Our Portfolio Managers work with clients to design an individual investment strategy in accordance with their objectives, risk tolerance, and liquidity needs and draw upon the best suited portfolio. In a nut shell, based on our holistic investment approach and innovative product capabilities we offer you very active multi asset class portfolio advisory & management services with personalized attention and active participation of Systematix' management. We offer both discretionary and non-discretionary portfolio services.

Commodities & Currency Derivatives:

Commodities market has emerged as a separate asset class offering for market-savvy investors, arbitrageurs and speculators to create wealth. Today, Commodities have evolved as the next best option after stocks and bonds for diversifying the portfolio. On other hand, Currency Derivatives Trading is emerging as an avenue for market-savvy investors (individuals and corporate) in India to diversify their portfolio and manage their foreign exchange risk by hedging against exposure taken on currency loans or for exporters and importers to hedge their currency fluctuation risk or for monetary appreciation or depreciation. Systematix aims to harness the immense potential of the Commodities and Currency Derivatives market by providing you a simple yet effective interface, research and knowledge.

Research:

Research Team offers incisive, timely, objective and in-depth research across multiple asset classes. Driven by an in-depth understanding of investments and a deep sense of professional ethics and integrity, the Systematix Wealth Research team provides unbiased advice to our clients. Being present across the entire spectrum of investment services / products, such as equities, derivatives, fixed income products, currencies, mutual funds and commodities, Systematix Wealth Research subjects each security in its universe to stringent analytical rigor to arrive at the fair value. We take pride in our philosophy of offering advice which is in the best interest of our clients. Our emphasis on building long-term relationship ensures that we work closely with our clients empowering them to gain from market opportunities.

Our Research Process is structured around the objective of enabling our Wealth Management Team to create winning portfolios for our Clients across diverse assets, capable of delivering superior returns to investors as well as to prevent portfolio erosion in bad times.

The Philosophy and Goal of Systematix Wealth Research is to provide investors with a clear analysis that enables them to take a rational decision towards achieving the desired profit objectives.

OPPORTUNITIES AND THREATS**Opportunities**

- Long-term economic outlook positive, will lead to opportunity for capital market services
- Growing Financial Services industry's share of wallet for disposable income.
- Regulatory reforms would aid greater participation by all class of investors

Leveraging technology to enable best practices and processes
 Corporates looking at consolidation / acquisitions / restructuring opens out opportunities for the corporate advisory business

Threats

Execution risk
 Short term economic slowdown impacting investor sentiments and business activities
 Slowdown in global liquidity flows
 Increased intensity of competition from local and global players
 Market trends making other assets relatively attractive as investment avenues

Strengths

Strong Brand name
 Experienced top management
 Integrated financial services provider
 Independent and insightful research
 State of art infrastructure

FINANCIAL PERFORMANCE HIGHLIGHTS

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) in India.

Table 1: Abridged Statement of Profit and Loss (₹ in Lakh) – Standalone

Particulars	FY 2015-2016	% of Total Income	FY 2014-2015	% of Total Income
Revenue				
Income from Operation	31.85	99.84	159.09	98.60
Other Income	0.05	00.16	2.26	1.40
Total	31.90	100.00	161.35	100.00
Expenditure				
Employees Cost	48.20	151.10	46.43	28.77
Finance Cost	14.47	45.36	2.96	1.84
Depreciation	24.75	77.59	26.13	16.19
Other Expenses	100.09	313.76	87.85	54.44
Total	187.51	587.81	163.37	101.24
Exceptional Items	-	-	3.60	2.24
Profit Before Tax	(155.61)	(487.81)	(5.62)	(3.48)
Tax- current & deferred	(3.08)	(9.66)	(1.80)	(1.12)
Profit after Tax	(152.53)	(478.15)	(3.82)	(2.36)
Earning per Shares (Basic)	(1.17)	--	(0.03)	--
Earning per Shares (Diluted)	(1.17)	--	(0.03)	--

The revenues of the Company for the financial year under review are ₹ 31.90 Lakh as compared to ₹ 161.35 Lakh for the previous year. The loss for the year under review is ₹ 152.53 Lakh as against the loss of ₹ 3.82 Lakh in the previous year.

Table 2: Abridged Statement of Profit and Loss (₹ in Lakh) – Consolidated

Particulars	FY 2015-2016	% of Total Income	FY 2014-2015	% of Total Income
Revenue				
Income from Operation	3150.71	89.99	3139.10	82.10
Other Income	350.66	10.01	684.57	17.90
Total	3501.37	100.00	3823.67	100.00
Expenditure				
Employees Cost	939.60	26.84	813.81	21.28
Finance Cost	1222.39	34.91	1317.63	34.46
Depreciation	125.19	3.58	166.12	4.34
Other Expenses	1270.60	36.29	1286.64	33.66
Total	3557.78	101.62	3584.20	93.74
Exceptional Items	1.24	0.03	98.80	2.58
Profit Before Tax	(57.65)	(1.65)	140.67	3.68
Tax- current & deferred	32.17	0.92	22.96	0.60
Profit after Tax	(89.82)	(2.57)	117.71	3.08
Earning per Shares (Basic)	(0.68)	--	0.90	---
Earning per Shares (diluted)	(0.68)	--	0.90	---

> Performance of Subsidiaries:**Systematix Shares and Stocks (India) Limited**

(₹ in Lacs)

Particulars	FY 2015-16	FY 2014-15	Growth %
Total Revenues	1593.49	1820.04	(12.45)
EBIDT	163.40	216.16	(24.41)
PBT	36.89	50.06	(26.31)
PAT	22.83	50.91	(55.16)

Systematix Fincorp India Limited

(₹ in Lacs)

Particulars	FY 2015-16	FY 2014-15	Growth %
Total Revenues	1213.77	1259.52	(3.63)
EBIDT	873.64	1014.97	(13.92)
PBT	28.06	59.56	(52.89)
PAT	18.11	38.04	(52.39)

Systematix Finvest Private Limited

(₹ in Lacs)

Particulars	FY 2015-16	FY 2014-15	Growth %
Total Revenues	744.75	511.59	45.58
EBIDT	550.11	386.71	42.25
PBT	31.22	29.14	7.14
PAT	21.54	27.67	(22.15)

Systematix Commodities Services Private Limited

(₹ in Lacs)

Particulars	FY 2015-16	FY 2014-15	Growth %
Total Revenues	153.47	97.78	56.95
EBIDT	4.87	9.33	(47.80)
PBT	1.79	7.33	(75.58)
PAT	0.23	4.88	(95.29)

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.

Number of people employed: 4

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The internal control system is intended to increase transparency and accountability in an organization's process of designing and implementing a system of internal control. They have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorized use, executing transaction with proper authorization and ensuring compliance of corporate policies.

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in strategy, business and operational plans.

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.

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF SYSTEMATIX CORPORATE SERVICES LIMITED****Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **SYSTEMATIX CORPORATE SERVICES LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2016, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances.. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit .
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act , read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors as on 31st March, 2016 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2016 from being appointed as a Director in terms of Section 164(2)of the Act.
- (f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) the Company has no pending litigation impacting the financial position in its financial statements .
 - (ii) the Company did not have any long-term contracts, including derivative contracts; and
 - (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the investor Education and protection Fund. Therefore the question of delay in transferring such sums does not arise.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the Annexure "B" a statement on the matters specified in the Paragraphs 3 and 4 of the Order, to the extent applicable.

For Maharaj N R Suresh and Co
FRN001931S
Chartered Accountants

Sd/-
K V Srinivasan
Partner
M.No: 204368

Place : Mumbai
Date : 30.05.2016

**ANNEXURE “A” to The Independent Auditor's Report of even date on the Standalone Financial Statements of Systematix Corporate Services Limited.
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Systematix Corporate Services Limited (“the Company”) as of March 31, 2016 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Annexure “B” to the Independent Auditors' Report of even date on the Standalone Financial Statements of Systematix Corporate Services Limited

- (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) According to the information and explanation received by us, as the company owns no immovable properties, the requirements on reporting whether title deeds of immovable properties held in the name of the Company not applicable.
- (ii) According to the information and explanations given to us, and having regard to the company's business reporting on clause 3(ii) of the Companies (Auditor's report) order 2016 does not arise.
- (iii) The Company has not granted any loans secured or unsecured, to Companies, Firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of Investments and Guarantees provided by the company. The company has not granted loans to any company covered under Section 185
- (v) The Company has not accepted any deposits from the public
- (vi) As per the explanation and information given to us, the Company is not required to maintain cost Records pursuant to Sub-section (1) of Section 148 of the Companies Act, 2013. Accordingly the clause 3 (vi) of the order is not applicable to the company.
- (vii) According to the information and explanations given to us in respect of Statutory dues :
 - (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Wealth tax, Service tax, and other material statutory dues applicable to it. There were no undisputed amounts payable in respect of Income Tax, Wealth tax, and Service tax, were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax and cess, which have not been deposited on account of any dispute :
- (viii) The Company has not defaulted in repayment of dues to financial institutions, banks, Government or to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of initial public offer or further public offer term loans (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company and hence clause (xii) of Paragraph 3 is not applicable to the Company.
- (xiii) All Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Maharaj N R Suresh and Co
FRN001931S
Chartered Accountants

Sd/-
K V Srinivasan
Partner
M.No: 204368

Place : Mumbai
Date : 30.05.2016

**SYSTEMATIX CORPORATE SERVICES LTD.
BALANCE SHEET AS AT 31ST MARCH 2016**

Particulars	Note No	As at 31.03.2016 ₹	As at 31.03.2015 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	2	40,05,14,080	40,05,14,080
(b) Reserve & Surplus	3	21,45,21,318	22,97,74,030
(2) Non- Current Liabilities			
(a) Long Term Borrowings	4	2,22,43,702	-
(3) Current Liabilities			
(a) Short Term Borrowings	5	-	91,16,584
(b) Trade Payables	6	3,47,969	1,15,92,429
(c) Other Current Liabilities	7	2,23,128	11,06,199
(d) Short Term Provisions	8	5,22,965	3,98,266
TOTAL		63,83,73,162	65,25,01,588
II. ASSETS			
(1) Non- Current Assets			
(a) Fixed Assets			
Tangible Assets	9	1,22,15,049	1,46,90,569
(b) Non-Current Investments	10	61,98,39,556	61,98,39,556
(c) Deferred Tax Assets (Net)	11	5,15,000	1,91,000
(d) Long-Term Loans and Advances	12	42,02,396	25,36,873
(2) Current assets			
(a) Trade Receivables	13	3,75,379	1,27,24,293
(b) Cash and Bank Balances	14	1,73,529	2,60,891
(c) Short-Term Loans and Advances	15	10,52,253	22,58,406
TOTAL		63,83,73,162	65,25,01,588
Notes on Financial Statements	1 to 27		

Vide our Report of even date
For Maharaj N R Suresh and Co
FRN NO:001931S
Chartered Accountants

For & on behalf of the Board of Directors

sd/-
C P Khandelwal
Managing Director

sd/-
Pradeep Gotecha
Director & CFO

sd/-
K V Srinivasan
Partner
M.No:204368

sd/-
Vrunda Dhanesha
Company Secretary

Place: Mumbai
Date: 30.05.2016

**SYSTEMATIX CORPORATE SERVICES LTD.
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2016**

Particulars	Note No	As at 31.03.2016 ₹	As at 31.03.2015 ₹
I. Revenue from Operations	17	31,84,743	1,59,09,153
II. Other Income	18	5,351	2,25,826
Total Revenue		<u>31,90,094</u>	<u>1,61,34,979</u>
III. EXPENSES			
Employee benefits Expenses	19	48,19,953	46,42,958
Finance Cost	20	14,46,798	2,96,205
Depreciation and Amortisation Expenses		24,75,520	26,13,400
Other Expenses	21	1,00,08,953	87,84,439
Total Expenses		<u>1,87,51,224</u>	<u>1,63,37,002</u>
IV. Profit Before Exceptional and Extraordinary Items and Tax		(1,55,61,130)	(2,02,023)
V Exceptional Items		-	3,59,759
VI Profit Before Extraordinary Items & Tax		(1,55,61,130)	(5,61,782)
VII Extraordinary Items		-	-
VIII Profit before Tax		(1,55,61,130)	(5,61,782)
IX Tax Expenses			
Current Tax	22	-	3,21,000
Deferred Tax		3,24,000	(5,01,000)
Income Tax relating to Earlier Years		<u>15,582</u>	-
		(3,08,418)	(1,80,000)
X Profit/(Loss) for the period from continuing operations		(1,52,52,712)	(3,81,782)
XI Profit/(Loss) for the period		(1,52,52,712)	(3,81,782)
XII Earnings Per Equity Share			
1) Basic		(1.17)	(0.03)
2) Diluted		(1.17)	(0.03)

Notes on Financial Statements

1 to 27

Vide our Report of even date
For Maharaj N R Suresh and Co
FRN NO:001931S
Chartered Accountants

For & on behalf of the Board of Directors

sd/-
C P Khandelwal
Managing Director

sd/-
Pradeep Gotecha
Director & CFO

sd/-
K V Srinivasan
Partner
M.No:204368

sd/-
Vrunda Dhanesha
Company Secretary

Place: Mumbai
Date: 30.05.2016

(1) Notes on Accounts**I). Significant Accounting Policies****A) Basis of preparation of financial statements**

The Financial statements have been prepared on historical Cost Convention and in accordance with Generally Accepted Accounting Principles and Complying with the Applicable Accounting Standards notified under relevant provisions of the Companies Act, 2013.

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 on fixed assets is provided under straight line method in accordance with estimated useful lives as specified in Schedule II to the Companies Act, 2013, and reckoning the residual value at 5% of the original cost of the asset.

Intangible assets are amortized equally over the estimated useful life not exceeding five years.

D) Investments

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

Current Investments are carried at lower of cost and net realizable value.

E) Revenue and Expenditure Recognition

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

Income is recognized on completion of assignment and billed on Customers.

F) Employee Benefits

Short-term Employee benefits are charged at the undiscounted amount to Statement of Profit and Loss in the year in which related service is rendered.

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 Statement of Profit & Loss.

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) Foreign Exchange Transaction

Transactions in foreign exchange are initially recognised at the rates prevailing on the dates of transactions.

All monetary assets and liabilities are restated at each Balance Sheet date using the prevailing at the year ended rate. Resultant exchange difference is recognised as income or expenses in that period.

I) Impairment of Assets

Impairment loss if any, is provided to the extent the carrying amount of the assets exceeds their recoverable amount.

J) 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.

SYSTEMATIX CORPORATE SERVICES LTD.

Particulars		Year Ended 31.03.2016 ₹		Year Ended 31.03.2015 ₹
(2) Share Capital				
a) Authorized:	Par Value		Par Value	
2,00,00,000 Equity Shares (Previous Year 2,00,00,000)	10	20,00,00,000	10	20,00,00,000
3,00,00,000 Preference Shares (Previous Year 3,00,00,000)	10	<u>30,00,00,000</u>	10	<u>30,00,00,000</u>
b) Issued :				
b.1 Equity Shares				
1,31,22,558 Equity Shares (Previous year 1,31,22,558)	10	<u>13,12,25,580</u>	10	<u>13,12,25,580</u>
b.2 Preference Shares				
2 70 00 000 Non Convertible Redeemable Preference Shares (Previous Year 2 70 00 000)	10	27,00,00,000	10	27,00,00,000
c) Subscribed and fully paid up				
1 29 80 258 Equity Shares (Previous Year 1 29 80 258)	10	12,98,02,580	10	12,98,02,580
2 70 00 000 Non Convertible Redeemable Preference Shares (Previous Year 2 70 00 000)	10	27,00,00,000	10	27,00,00,000
d) Subscribed and not fully paid up				
142 300 Equity Shares (Previous Year 1 42 300)	10	7,11,500	10	7,11,500
Total		<u>40,05,14,080</u>		<u>40,05,14,080</u>
e) Calls unpaid				
By Directors		-		-
By Others				
1,42,300 Equity Shares (Previous Year 1,42,300)	5	<u>7,11,500</u>	5	<u>7,11,500</u>
f) Reconciliation of Shares outstanding at the beginning and at the end of the Year				
f.1 Equity Shares	No	Value	No	Value
Shares outstanding at the beginning of the year	1,29,80,258	12,98,02,580	1,29,80,258	12,98,02,580
Shares outstanding at the end of the year	1,29,80,258	12,98,02,580	1,29,80,258	12,98,02,580
f.2 Preference Shares				
i. Non Convertible Redeemable Preference Shares				
Shares outstanding at the beginning of the year	2,70,00,000	27,00,00,000	-	-
Shares issued during the Year	-	-	2,70,00,000	27,00,00,000
Shares outstanding at the end of the year	2,70,00,000	27,00,00,000	2,70,00,000	27,00,00,000
g) Rights, Preferences and Restrictions attached to 0 % Non-Convertible Redeemable Preference Shares (NCRPS)				
(1) Redeemable at the end of the 20th year at par out of the profits available for distribution as dividends or out of proceeds of a fresh issue of shares made for the Purpose of redemption.				
h) List of Shareholders Holding more than 5% Equity Shares				
Name of Shareholders	Number of Shares	Percentage Holding	Number of Shares	Percentage Holding
Superstar Exports Private Limited	47,33,804	36.07%	42,68,806	32.53%
Satyamitra Stock Consultants Pvt Ltd	13,54,624	10.32%	13,54,624	10.32%
Chiraayush Stock Consultants Pvt Ltd	11,43,969	8.71%	11,43,969	8.71%
Shriram Stockmart Pvt Ltd	9,85,672	7.52%	9,85,672	7.52%
Dhananjaya Money Management Services Pvt Ltd	-	0.00%	6,69,378	5.10%
Preference Shares				
Superstar Exports Private Limited	2,70,00,000	100%	2,70,00,000	100.00%
i) 2 70 00 000 Preference Shares of face value of ₹ 10/- each were allotted on 30.03.2015 for consideration other than cash being conversion of unsecured loan from M/S Superstar Exports Private Limited				

SYSTEMATIX CORPORATE SERVICES LTD.

Particulars	Year Ended 31.03.2016 ₹	Year Ended 31.03.2015 ₹
3) Reserve & Surplus		
a) Capital Reserve	2,28,63,600	2,28,63,600
b) Securities Premium Reserve	18,65,01,920	18,65,01,920
c) General Reserve		
Opening Balance	44,46,757	44,46,757
d) Surplus in Statement of Profit & Loss		
Opening Balance	1,59,61,753	1,63,43,535
Add: Profit/(Loss) for the year	<u>(1,52,52,712)</u>	<u>(3,81,782)</u>
Closing Balance	7,09,041	(1,52,52,712)
Total	<u>21,45,21,318</u>	<u>22,97,74,030</u>
4) Long Term Borrowings		
Unsecured		
Loan from Related Parties	2,22,43,702	-
Total	<u>2,22,43,702</u>	<u>-</u>
5) Short Term Borrowings		
Unsecured		
Loan from Related Parties	-	91,16,584
Total	<u>-</u>	<u>91,16,584</u>
6) Trade Payables		
Total outstanding dues of Micro enterprise and Small enterprise		
Total outstanding dues of creditors other than Micro enterprise and small enterprise		
Goods		
Services	3,47,969	1,15,92,429
Total	<u>3,47,969</u>	<u>1,15,92,429</u>
The disclosure requirements, as required under Micro, Small and Medium Enterprises development Act, 2006 is as follows:		
Principal amount due as on March 31	-	-
Interest due and unpaid on the above as on March 31	-	-
Interest paid	-	-
Interest due and payable	-	-
Interest accrued and remaining unpaid as on March 31	-	-
7) Other Current Liabilities		
Others-Tax Deducted at Source and Service Tax Payable	2,23,128	10,06,199
Advance from Customers	-	1,00,000
Total	<u>2,23,128</u>	<u>11,06,199</u>
8) Short Term Provisions		
Provision for Employee Benefits	5,22,965	3,98,266
Total	<u>5,22,965</u>	<u>3,98,266</u>

SYSTEMATIX CORPORATE SERVICES LTD.

9) Tangible Assets

Description	Gross Block				Depreciation				Net Block		Amt in ₹
	As At 01-04-2015	Additions	Deductions	As At 31.03.2016	As At 01-04-2015	For the Year	On assets whose useful life is NIL	Withdrawn	Up To 31.03.2016	As at 31.03.2016	
Plant & Equipments	4233008	-	-	4233008	4074025	71830	-	-	4145855	87153	158983
Furniture & Fixtures	22594629	-	-	22594629	9612321	1754430	-	-	11366751	11217878	12972308
Vehicle	724774	-	-	724774	657840	30694	-	-	688534	36240	66934
Office Equipments	4017470	-	-	4017470	2525126	618566	-	-	3143692	873778	1492344
Total	31559881	-	-	31559881	16869312	2475520	-	-	19344832	12215049	14690569
Previous Year	33050099	-	1490218	31559881	14494242	2613400	359759	598089	16869312	14690569	18555857

SYSTEMATIX CORPORATE SERVICES LTD.

Particulars	Year Ended 31.03.2016 ₹	Year Ended 31.03.2015 ₹
10) Non Current Investments		
Long Term - Non Trade-Unquoted	No of Shares	No of Shares
i) In wholly owned Subsidiary Companies		
Investment in Equity Shares of ₹ 10/- each fully paid up Systematix Fincorp India Limited	16,75,845	14,27,58,450
Investment in Equity Shares of ₹ 100/- each fully paid up Systematix Finvest Pvt.Ltd	1,87,820	11,00,99,300
Investment in Equity Shares of ₹ 10/- each fully paid up Systematix Shares & Stocks (I) Ltd.	41,63,500	34,25,95,306
Investment in Equity Shares of ₹ 10/- each fully paid up Systematix Commodities Services Pvt Ltd	25,000	2,43,86,500
Total	<u>61,98,39,556</u>	<u>61,98,39,556</u>
11) Deferred Tax Assets (Net)		
Deferred Tax Assets on account of:		
a) Depreciation	3,40,000	61,600
b) Provision for Gratuity	1,75,000	1,29,400
Total	<u>5,15,000</u>	<u>1,91,000</u>
12) Long -Term Loans and Advances		
Unsecured Considered Good		
Advance Income Tax (Net of Provisions)	35,17,521	21,96,024
Deposits	3,38,000	3,40,849
Prepaid Expenses	3,46,875	-
Total	<u>42,02,396</u>	<u>25,36,873</u>
13) Trade Receivables		
Unsecured Considered Good		
Exceeding Six Months	7,023	-
Other Debts	3,68,356	1,27,24,293
Total	<u>3,75,379</u>	<u>1,27,24,293</u>
14) Cash & Bank Balances		
Cash & Cash Equivalents		
Balance with Banks	1,49,410	2,57,565
Cash on Hand	24,119	3,326
Total	<u>1,73,529</u>	<u>2,60,891</u>
15) Short -Term Loans and Advances		
Unsecured Considered Good		
Advance Income Tax (Net of Provisions)	2,39,593	13,37,079
Service Tax Entitlement	4,51,785	-
Prepaid Expenses	3,55,875	9,21,327
Others	5,000	-
Total	<u>10,52,253</u>	<u>22,58,406</u>
16) Contingent Liabilities		
Contingent Liabilities on account of Guarantees given to Banks on behalf of Group Companies	60,00,00,000	80,50,00,000
Total	<u>60,00,00,000</u>	<u>80,50,00,000</u>

SYSTEMATIX CORPORATE SERVICES LTD.

Particulars	Year Ended 31.03.2016 ₹	Year Ended 31.03.2015 ₹
17) Revenue from Operations		
Financial Advisory Services	31,84,743	1,59,09,153
Total	<u>31,84,743</u>	<u>1,59,09,153</u>
18) Other Income		
Profit from Current Investments	-	11,136
Other Non Operating Income	5,351	2,14,690
Total	<u>5,351</u>	<u>2,25,826</u>
19) Employee benefits Expenses		
Salaries, Bonus & Allowances	48,19,953	46,42,958
Total	<u>48,19,953</u>	<u>46,42,958</u>
20) Finance Cost		
Interest on Borrowings	14,46,798	2,96,205
Total	<u>14,46,798</u>	<u>2,96,205</u>
21) Other Expenses		
Rent	51,00,000	51,00,000
Rates & Taxes	24,67,219	4,20,015
Electricity Charges	2,41,048	2,20,762
Repairs & Maintenance		
Building	2,97,000	1,84,000
Others	1,66,416	2,93,731
Advertisement	1,18,166	1,39,071
Communication	23,760	2,02,322
Travelling Expenses	1,08,966	3,96,032
Professional & Consultancy	4,72,433	6,58,827
Listing Fees	2,00,000	1,00,000
Directors Sitting Fees	1,42,500	90,000
Business Promotion Expenses	3,57,499	1,04,878
Loss on Sale of Fixed Assets	-	5,32,130
Auditors Remuneration*	1,00,000	1,00,000
Other Expenses	2,13,946	2,42,671
Total	<u>1,00,08,953</u>	<u>87,84,439</u>
*Additional Information		
i) Statutory Audit	75,000	75,000
ii) Tax Audit	25,000	25,000
Total	<u>1,00,000</u>	<u>1,00,000</u>
22) Current Tax		
Income Tax	-	3,21,000
Total	<u>-</u>	<u>3,21,000</u>

23) Basic & Diluted Earnings per share:

Particulars	2015-16	2014-15
Net Profit/(Loss) attributable to equity share holders	(15252712)	(381782)
Weighted Average of Equity shares	1 30 51 408 (face value of Rs.10/- each)	1 30 51 408 (face value of Rs.10/- each)
Basic Earnings Per Share	(1.17)	(0.03)
Net Profit/(Loss) attributable to equity share holders	(381782)	(381782)
Weighted Number of equity shares outstanding for Diluted EPS	1 30 51 408 (face value of Rs.10/- each)	1 30 51 408 (face value of Rs.10/- each)
Diluted Earnings Per share	(1.17)	(0.03)

24) Related Party Transactions :**I) Names of Transacting Related Parties****A) Wholly Owned Subsidiaries**

- Systematix Fincorp India Limited
- Systematix Finvest Private Limited
- Systematix Shares and Stocks (India) Limited
- Systematix Commodities Services Private Limited

B) Presumption of Significance Influence**(i) Companies**

- Systematix Capital Services Private Limited
- Ceepeek Real Estate Private Limited
- Rangsharda Properties Private Limited
- Shubham Mangalam 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 Mercantile Company Private Limited
- Shiv Shakti Real Estate Private Limited
- Nikunj Mercantile Private Limited
- Systematix Assets Management Company Private Limited
- Perspire Builders & Developers Private Limited.
- Wonderdream Realtors Private Limited
- Sixth Sense Ventures Private Limited
- Systematix Distributions Services Private Limited

(ii) Partnership Firms/LLP's

- Sterling Dreamworks Partners LLP
- Divisha Real Estate Advisors LLP
- Sanskruiti Lifespaces LLP
- Divisha Realty LLP
- Divisha Developers LLP

(iii) Key Managerial Personnel

Mr. C.P. Khandelwal, Mr. Pradeep Gotecha, Ms. Vrunda Dhanesha

II) A description of the relationship between related parties: Presumption of Significant Influence.**III) Transaction detail****(₹ in Lacs)**

Name of the Related party	Description of Transaction and amount during the year		Amount outstanding
Superstar Exports Private Limited	Loan Repaid	112.85	Non Convertible Preference Shares 2 70 00 000 – 100% Equity Shares 47 33 804 36.07 %
Systematix Capital Services Private Limited	Loan availed Loan repaid	128.75 10.50	Loan Outstanding 222.43
	Interest Paid	14.47	
Systematix Shares and Stocks (I) Limited	Annual Maintenance Charges Corporate Guarantee given for Bank Guarantee & Over Draft	0.007	Asset Investment in: 41 63 500 Equity Shares 100 % 5600.00
Systematix Finvest Private Limited	-	-	Asset Investment in: 1 87 820 Equity shares 100%
Systematix Fincorp India Limited		-	Asset Investment in: 16 75 845 Equity shares 100%
Systematix Commodities Services Private Limited			Asset Investment in: 25 000 Equity Shares 100 %

	Corporate Guarantee given for Loan		400.00
Shri C. P. Khandelwal	Remuneration	18.00	
Shri Pradeep Gotecha	CFO	8.61	
Ms. Anju Khandelwal	Sitting Fee	0.15	
Shri. Mahesh C Solanki	Sitting Fee	0.10	
Shri Shriram Surajmal Khandelwal	Sitting Fee	0.50	
Shri Sanjay Khandelwal	Sitting Fee	0.58	
Shri Sunil Sarada	Sitting Fee	0.10	
Wonderdream Realtors Private Limited	Rent	24.00	
Thirdwave Mercantile Company Private Limited	Rent	3.00	

25) Employee Benefits:

Disclosure as required under Accounting Standard AS (15) of the Companies (Accounts) Rules, 2014

(₹)

General description	As on 31.03.2016	As on 31.03.2015
i) Changes in the Present Value Of the Obligation (PVO) -		
Reconciliation of Opening and Closing Balances:		
PVO as at the beginning of the Period	763584	691602
Interest cost	59560	50884
Current service cost	125795	113191
Benefits Paid	-	(277037)
Actuarial Loss/(Gain) on obligation	(29746)	184944
PVO as at the end of the period	919193	763584
ii) Changes in Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the Period	365318	49957
Adjustment to Opening Fair value of Plan Assets	-	2120
Expected Return on Plan Assets	32000	17300
Contributions	-	568899
Benefit Paid	-	(277037)
Actuarial gain/(loss) on plan assets	(1090)	4079
Fair Value of Plan Assets at the end of the period	396228	365318
iii) Amount recognized in the Balance Sheet and Related Analysis		
Present value of obligation	919193	763584
Fair value of Plan assets	396228	365318
Difference		
Liability Recognized in the Balance Sheet	522965	398266

iv) Expenses Recognized in the Profit & Loss account		
Current service Cost	125795	113191
Interest Cost	59560	50884
Past Service Cost (Vested Benefits)	-	-
Expected Return on Plan Assets	(32000)	(17300)
Net actuarial (gain)/loss recognized In the year	(28656)	180865
Expenses recognized in the statement of Profit and loss	124699	327640
v) Principal Actuarial Assumption		
Discount Rate	8.00%	7.80%
Salary Escalation Rate	10.00%	10%
Attrition Rate	Up to Age 45:15% 46 and above: 5%	Up to Age 45:15% 46 and above: 5%
Expected Rate of Return on Plan Assets	8.75%	8.75%

26. Earnings in foreign Currency

Particulars	31.03.2016	31.03.2015
Service Fees Received	2 60 094	4 69 153

27. Figures for the previous year have been re-arranged/re-grouped wherever necessary, to conform to Current year classification.

Vide our report of date attached

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

For & on behalf of Board of Directors

Sd/-
K V SRINIVASAN
Partner
M.NO 204368

Sd/-
C P Khandelwal
Managing Director

Sd/-
Pradeep Gotecha
Director & CFO

Place: Mumbai
Date: 30.05.2016

Sd/-
Vrunda Dhanesha
Company Secretary

SYSTEMATIX CORPORATE SERVICES LIMITED
CASH FLOW STATEMENT

Particulars	Year Ended 31.03.2016 ₹	Year Ended 31.03.2015 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary items	(1,55,61,130)	(2,02,023)
Adjustments for :		
1 Depreciation	24,75,520	26,13,400
2 Loss on Sale of Fixed Assets	-	5,32,129
3 Interest/Dividend Received	-	-
Operating profit before working capital changes	(1,30,85,610)	29,43,506
Adjustments for :		
1 Trade and Other Current Assets	1,18,89,544	(1,31,22,496)
2 Trade and other Payables	(2,11,34,998)	1,05,75,791
Cash Generated from operation	(2,23,31,054)	3,96,801
Interest Paid	14,46,798	2,96,205
Cash Flow Before extraordinary items	(2,08,84,266)	6,93,006
Extraordinary items	-	-
Net Cash from/ (Used) in Operating activities	(2,08,84,266)	6,93,006
B CASH FLOW FROM INVESTING ACTIVITIES		
1 Purchase of Fixed Assets	-	3,60,000
2 Sale of Fixed Assets	-	-
3 Investment in Subsidiaries Company	-	(2,48,25,556)
4 Investment in Liquid Fund	-	-
5 Interest /Dividend Received	-	-
Net Cash from/ (Used) in investing activities	-	(2,44,65,556)
C CASH FLOW FROM FINANCIANG ACTIVITIES		
1 Proceeds from Long and Short Term Borrowings	2,22,43,702	(24,60,84,913)
2 Proceeds form Issue of Preference Shares	-	27,00,00,000
3 Interest Paid	(14,46,798)	(2,96,205)
Net Cash from financiing activities	2,07,96,904	2,36,18,882
	(2,08,84,266)	
Net increase in Cash and Cash equivalents (A+B+C)	(87,362)	(1,53,668)
Cash and Cash equivalents as (Opening Balance)	2,60,891	4,14,559
Cash and Cash equivalents as (Closing Balance)	1,73,529	2,60,891

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

sd/-
K V Srinivasan
Partner
M.No:204368

Place: Mumbai
Date: 30.05.2016

For & on behalf of the Board of Directors

sd/-
C P Khandelwal
Managing Director

sd/-
Pradeep Gotecha
Director & CFO

sd/-
Vrunda Dhanesha
Company Secretary

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF SYSTEMATIX CORPORATE SERVICES LIMITED****Report on the Consolidated Financial Statements**

We have audited the accompanying consolidated financial statements of **SYSTEMATIX CORPORATE SERVICES LIMITED** ("the Holding Company") and its subsidiary (Collectively referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so

required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2016, and their consolidated loss and their consolidated cash flows for the year ended on that date.

Other matters

Financial statement/financial information of M/s Systematix Fincorp India Limited, Systematix Finvest Private Limited, Systematix Shares and Stocks (I) Limited, Systematix Commodities Services private Limited the wholly owned subsidiary whose financial statements/financial information reflect total assets of ₹ 206.91 Crores as at 31st March 2016, total revenues of ₹ 35.01 Crores and net cash flows amounting to ₹ 36.99 Crores, for the year ended on that date, as considered in the Consolidated financial statements.

Our opinion on the Consolidated financial statements, and our report on "Other legal and regulatory requirements " below is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the company so far as it appears from our examination of those books ;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2016 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014: in our opinion and to the best of our information and according to the explanation given to us,
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 18(a) to the financial statements :
 - (ii) The group did not have any long-term contracts, including derivative contracts; and

- (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the investor Education and protection fund by the Holding company and its subsidiary company. Therefore the question of delay in transferring such sums does not arise.

For Maharaj N R Suresh and Co
FRN001931S
Chartered Accountants

sd/
K V Srinivasan
Partner
M.No:204368

Place: Mumbai
Date:30.05.2016

ANNEXURE “A” to The Independent Auditor's Report of even date on the Consolidated Financial Statements of Systematix Corporate Services Limited.**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Systematix Corporate Services Limited (“the Holding Company”) and its subsidiary companies as of March 31, 2016 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of directors of the Holding company, its subsidiary company are responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and Directors of the company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company its subsidiary company have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Maharaj N R Suresh and Co
FRN001931S
Chartered Accountants

sd/
K V Srinivasan
Partner
M.No:204368

Place: Mumbai
Date:30.05.2016

**SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016**

Particulars	Note No	Consolidated As at 31.03.2016	Consolidated As at 31.03.2015
		₹	₹
I. EQUITY AND LIABILITIES			
1 Shareholders Funds -			
(a) Share Capital	2	40,05,14,080	40,05,14,080
(b) Reserve & Surplus	3	39,15,55,974	40,05,38,237
2 Non- Current Liabilities			
Long Term Borrowings	4	2,60,68,412	-
3 Current Liabilities			
(a) Short Term Borrowings	5	99,99,04,866	1,21,84,21,742
(b) Trade Payable	6	21,67,89,136	20,76,44,934
(c) Other Current Liabilities	7	2,48,61,519	2,59,52,586
(d) Short Term Provisions	8	94,06,981	1,16,73,947
	TOTAL	2,06,91,00,968	2,26,47,45,526
II ASSETS			
1 Non- Current Assets			
(a) Fixed Assets -			
(i) Tangible Assets	9	3,10,72,101	3,37,74,879
(ii) Intangible Assets	10	81,52,852	1,14,53,549
(b) Goodwill		3,05,92,106	3,05,92,106
(c) Non Current Investments	11	15,61,30,000	-
(d) Deferred Tax Assets (Net)	12	57,76,000	45,07,001
(e) Long Term Loans and Advances	13	12,43,23,340	11,31,18,214
2 Currents Assets			
(a) Inventories	14	6,45,94,989	3,14,60,489
(b) Trade Receivables	15	6,88,73,321	17,45,94,147
(c) Cash and Bank Balances	16	36,99,45,765	27,87,18,760
(d) Short Term Loans and Advances	17	1,20,96,40,494	1,58,65,26,381
	TOTAL	2,06,91,00,968	2,26,47,45,526

1 to 33

Vide our Report of even date
For Maharaj N R Suresh and Co
FRN NO:001931S
Chartered Accountants

For & on behalf of the Board of Directors

sd/-
C P Khandelwal
Director

sd/-
Pradeep Gotecha
Director

sd/-
K V Srinivasan
Partner
M.No:204368

sd/-
Vrunda Dhanesha
Company Secretary

Place: Mumbai
Date: 30.05.2016

**SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2016**

Particulars	Note No	Consolidated Year Ended 31.03.2016	Consolidated Year Ended 31.03.2015
		₹	₹
REVENUE			
I. Revenue from Operations	19	31,50,70,575	31,39,09,759
II. Other Income	20	3,50,66,415	6,84,57,517
TOTAL		35,01,36,990	38,23,67,276
III. EXPENSES			
Employee Benefits Expenses	21	9,39,60,344	8,13,81,881
Finance Costs	22	12,22,39,546	13,17,63,000
Depreciation and Amortisation Expenses	9-10	1,25,18,568	1,66,12,099
Other Expenses	23	12,70,59,546	12,86,63,106
TOTAL		35,57,78,004	35,84,20,086
IV. Profit before Exceptional and Extra Ordinary Items & Tax		(56,41,014)	2,39,47,190
V. Exceptional Items		1,23,872	98,80,171
VI. Profit before Extraordinary Items & Tax		(57,64,886)	1,40,67,019
VII. Extraordinary Items		-	-
VIII. Profit before Tax (VII-VIII)		(57,64,886)	1,40,67,019
IX. Tax Expenses			
1) Current Tax		42,82,000	1,05,84,000
2) Deferred Tax		(12,69,000)	(83,32,000)
X. Income Tax relating to earlier year		2,04,375	43,864
XI. Profit after Tax (before adjustments for minority Interests)		(89,82,261)	1,17,71,155
XII. Share of (Profit) Transferred to Minority Interest		-	(353)
XIII. Profit for the year (after adjustment of minority Interest)		(89,82,261)	1,17,70,802
XIV Earnings Per Equity Share			
1) Basic		(0.68)	0.90
2) Diluted		(0.68)	0.90

1 to 33

Vide our Report of even date
For Maharaj N R Suresh and Co
FRN NO:001931S
Chartered Accountants

For & on behalf of the Board of Directors

sd/-
C P Khandelwal
Director

sd/-
Pradeep Gotecha
Director

sd/-
K V Srinivasan
Partner
M.No:204368

sd/-
Vrunda Dhanesha
Company Secretary

Place: Mumbai
Date: 30.05.2016

(1) Notes on Accounts**I). 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 notified under relevant provisions of the Companies Act, 2013.

B) Use of Estimates

Estimates and assumptions made by the management in the preparation of financial statements have a bearing on reported amounts of financial results, Assets & Liabilities and the disclosure of Contingent Liabilities. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively.

C) Fixed Assets

- i) Tangible assets are stated at Cost less Depreciation.
- ii) Intangible assets are stated at Cost, less Amortization.

Cost of acquisition includes freight, duties, and installation expenses net of taxes and duties eligible for credit.

D) Depreciation

Depreciation on fixed assets is provided under straight line method in accordance with estimated useful lives as specified in Schedule II to the Companies Act, 2013, and reckoning the residual value at 5% of the original cost of the asset.

Intangible asset

- i) Membership Rights in BSE Limited, is amortised on straight-line method basis over a period of five years.
- ii) Software Purchased is amortised on straight-line method basis over a period of ten years.

E) 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.

F) Inventories

Securities which are intended to be held for less than 1 year form part of inventories and are valued at lower of cost and net realizable value.

G) Revenue and Expenditure Recognition

Professional 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.

Transactions in respect of investment/dealing in securities are recognized on trade dates.

In Respect of other heads of Income, the Company accounts the same on accrual basis

Expenditure is accounted for on their accrual.

H) Retirement Benefits

Short Term Employee benefits are charged at the undiscounted amount to Statement of Profit and Loss 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 Statement of Profit & Loss 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 Statement of Profit & Loss.

I) Borrowings Costs

Borrowing costs (net of income earned on temporary investments on those borrowings) directly attributable to the acquisition, construction Production of qualifying assets are capitalized as part of the cost of the assets.

Other Borrowings costs are recognised as expense as and when incurred.

J) 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.

K) Foreign Exchange Transaction

Transactions in foreign exchange are initially recognised at the rates prevailing on the dates of transactions.

All monetary assets and liabilities are restated at each Balance Sheet date using the closing rate. Resultant exchange difference is recognised as income or expenses in that period.

L) 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.

M) 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.044/03.10.119/2015-16 dt 01.07.2015 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	1 to 24 Months 10% of loan amount outstanding
Doubtful	Interest is unrealized for more than 24 months	On receipt basis	25 to 36 Months 20% 37 to 60 Months 30% More than 60 Months 50 % Advances not Covered by realizable value 100%
Loss	As asset which has been identified as Loss assets.	On receipt basis	100% of loan amount outstanding

SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2016

₹

₹

Par Value	Consolidated As at 31.03.2016	Consolidated As at 31.03.2015
2) SHARE CAPITAL		
a) Authorized:		
2,00,00,000 Equity Shares (Previous Year 2,00,00,000)	10	20,00,00,000
3,00,00,000 Preference Shares (Previous year 3,00,00,000)	10	30,00,00,000
		<u>30,00,00,000</u>
b) Issued		
b.1 Equity Shares		
1 31 22 558 Equity Shares (Previous Year 1,31,22,558)	10	13,12,25,580
b.2 Preference Shares		
2 70 00 000 Non Convertible Redeemable Preference Shares (Previous Year 2 70 00 000)		27,00,00,000
c) Subscribed and fully paid up		
1 29 80 258 Equity Shares (Previous Year 1 29 80 258)	10	12,98,02,580
2 70 00 000 Non Convertible Redeemable Preference Shares (Previous Year 2 70 00 000)	10	27,00,00,000
d) Subscribed and not fully paid up		
1 42 300 Equity Shares (Previous year 1 42 300)	10	7,11,500
Total		<u>40,05,14,080</u>
e) Calls unpaid		
By Directors		-
By Others		-
1 42 300 Equity Shares (Previous year 1 42 300)	10	7,11,500
f) Reconciliation of Shares outstanding at the beginning and at the end of the Year		
f.1 Equity Shares		
Shares outstanding at the beginning of the year	1,29,80,258	12,98,02,580
Shares outstanding at the end of the year	1,29,80,258	12,98,02,580
f.2 Preference Shares		
i. Non Convertible Redeemable Preference Shares		
Shares outstanding at the beginning of the year	2,70,00,000	27,00,00,000
Shares issued during the year	-	2,70,00,000
Shares outstanding at the end of the year	2,70,00,000	27,00,00,000
g) Rights, Preferences and Restrictions attached to 0 % Non-Convertible Redeemable Preference Shares (NCRPS)		
(1) Redeemable at the end of the 20th year at par out of the profits available for distribution as dividends or out of proceeds of a fresh issue of shares made for the Purpose of redemption.		
h) List of Shareholders holding more than 5% Equity Shares		
	31.03.2016	31.03.2015
Particulars	Number of Shares	Percentage Holding
Superstar Exports Private Limited	47,33,804	36.07%
Satyamitra Stock Consultants Pvt Ltd	13,54,624	10.32%
Chiraayush Stock Consultants Pvt Ltd	11,43,969	8.71%
Shriram Stock Market Pvt Ltd	9,85,672	7.52%
Dhananjaya Money Management Services Pvt Ltd	-	0.00%
		6,69,378
		5.10%
Preference Shares		
Superstar Exports Private Limited	2,70,00,000	100.00%
		2,70,00,000
		100.00%
i) 2 70 00 000 Preference shares of face value of Rs 10/- each were allotted on 30.03.2015 for consideration other than cash being conversion of unsecured loan from M/S Superstar Exports Private Limited		

**SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2016**

	₹	₹
	Consolidated As at 31.03.2016	Consolidated As at 31.03.2015
3) RESERVE AND SURPLUS		
a) Preference Capital Redemption Reserve		
Opening Balance	2,60,00,000	-
Less:		
Transfer to General Reserve	<u>2,60,00,000</u>	2,60,00,000
b) Capital Reserve	2,28,63,600	2,28,63,600
c) Securities Premium Reserve		
As per last Balance Sheet	18,65,01,920	18,65,01,920
d) General Reserve		
As per last Balance Sheet	88,19,265	
Add:		
Transfer during the year		
From Preference Capital Redemption Reserve	<u>2,60,00,000</u>	88,19,265
e) Reserve Fund U/S 45 -IC of the RBI ACT,1934		
Opening Balance	1,55,68,613	1,42,47,613
Add:		
Amount transferred from Surplus in Statement of Profit & Loss Statement Account	<u>8,03,000</u>	<u>13,21,000</u>
Closing Balance	1,63,71,613	1,55,68,613
f) Surplus in Profit & Loss Statement Account		
Opening Balance	14,07,84,837	13,03,35,037
Add: Profit for the year	(89,82,261)	1,17,70,802
Less:		
Transferred to Reserve Fund u/s 45IC of the RBI, Act 1934	<u>8,03,000</u>	<u>13,21,000</u>
Net Surplus in Profit & Loss Statement Account	13,09,99,576	14,07,84,839
Total	<u>39,15,55,974</u>	<u>40,05,38,237</u>
4) LONG TERM BORROWINGS		
Other Loans & Advances		
Secured		
Vehicle Loan (Secured by Hyphothecation of Vehicle)	38,24,710	-
Unsecured		
Loan from Related Parties	2,22,43,702	-
Total	<u>2,60,68,412</u>	<u>-</u>

**SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2016**

₹

₹

	Consolidated As at 31.03.2016	Consolidated As at 31.03.2015
5) SHORT TERM BORROWINGS		
Secured		
a) From Banks		
Loan from banks repayable on demand-Secured		
Axis Bank Ltd	47,38,784	2,22,08,810
Overdraft against Fixed Deposit (Original FDR duly discharged in favour of AXIS Bank Limited)		
b) Other Loans & Advances		
Loan against Shares (Refer Note No)	79,36,46,869	1,11,02,24,951
Unsecured		
a) Other Loans & Advances		
Loan against Shares	20,15,19,213	7,68,71,397
Loan from Related Parties	-	91,16,584
Total	99,99,04,866	1,21,84,21,742
6) TRADE PAYABLES		
Total outstanding dues of Micro enterprise and Small enterprise Total outstanding dues of creditors other than Micro enterprise and small enterprise		
Goods		
Services	21,67,89,136	20,76,44,934
Total	21,67,89,136	20,76,44,934
The disclosure requirements, as required under Micro, Small and Medium Enterprises development Act, 2006 is as follows:		
Principal amount due as on March 31	-	-
Interest due and unpaid on the above as on March 31	-	-
Interest paid	-	-
Interest due and payable	-	-
Interest accrued and remaining unpaid as on March 31	-	-
7) OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Debt	8,49,787	1,67,274
Advance from Customer	-	1,00,000
Liability for Employees	17,07,710	15,93,933
Security Deposit	1,67,36,255	1,73,64,632
Others-Tax Deducted at Source, Service Tax and Vat	55,67,767	67,26,747
Total	2,48,61,519	2,59,52,586
8) SHORT TERM PROVISIONS		
Provision for Standard Assets	25,83,062	35,21,991
Provision for Employee Benefits	68,23,919	81,02,065
Provision for Taxation (Net of Advance Tax)	-	49,891
Total	94,06,981	1,16,73,947

**SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2016**

9) Tangible Assets

Description	Gross Block			Depreciation				Net Block			
	As At 01-04-2015	Additions	Deductions	As At 31.03.2016	As At 01-04-2015	For the Year	on Assets whose useful life is NIL	Withdrawn	Up To 31.03.2016	As at 31.03.2016	As at 31.03.2015
Buildings	47,48,503	-	-	47,48,503	43,93,119	66,325	-	-	44,59,444	2,89,059	3,55,384
Plant & Equipments	7,24,91,149	7,81,187	4,76,834	7,27,95,502	6,69,51,710	24,40,775	-	3,59,054	6,90,33,431	37,62,071	55,39,439
Furniture & Fixtures	3,77,85,217	-	29,110	3,77,56,107	1,83,00,680	37,30,485	-	16,209	2,20,14,956	1,57,41,151	1,94,84,536
Vehicle	1,75,69,260	58,64,585	-	2,34,33,845	1,07,06,088	23,34,013	-	-	1,30,40,101	1,03,93,744	68,63,170
Office Equipments	41,10,910	-	-	41,10,910	25,78,561	6,46,273	-	-	32,24,834	8,86,076	15,32,350
Total (11)	13,67,05,039	66,45,772	5,05,944	14,28,44,867	10,29,30,158	92,17,871	-	3,75,263	11,17,72,766	3,10,72,101	3,37,74,879
10) Intangible Assets											
Membership in Bombay Stock Exchange	2,77,00,000	-	-	2,77,00,000	2,77,00,000	-	-	-	2,77,00,000	-	-
Computer Software	3,69,82,609	-	-	3,69,82,609	2,55,29,060	33,00,697	-	-	2,88,29,757	81,52,852	1,14,53,549
Total (12)	6,46,82,609	-	-	6,46,82,609	5,32,29,060	33,00,697	-	-	5,65,29,757	81,52,852	1,14,53,549
Total (11+12)	20,13,87,648	66,45,772	5,05,944	20,75,27,476	15,61,59,218	1,25,18,568	-	37,52,63	16,83,02,523	3,92,24,953	4,52,28,428
Previous Year	20,27,41,540	8,63,115	(22,17,007)	20,13,87,648	13,03,63,231	1,66,12,099	98,65,778	6,81,888	15,61,59,220	4,52,28,428	7,23,78,309

SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2016

	₹	₹
	Consolidated As at 31.03.2016	Consolidated As at 31.03.2015
11) NON CURRENT INVESTMENTS-LONG TERM		
INVESTMENT IN DEBENTURE	Number	
Skittish Realtors Pvt Ltd	1561300	15,61,30,000
	Total	15,61,30,000
12) DEFERRED TAX ASSET (NET)		
Deferred Tax Assets		-
a) Depreciation	2,48,022	(18,26,846)
b) Others	55,27,978	63,33,847
	Total	45,07,001
13) LONG TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Advance Income Tax (Net of provisions)	4,55,34,465	3,97,73,365
Deposits	7,84,42,000	7,33,44,849
Others	3,46,875	-
	Total	11,31,18,214
14) INVENTORIES		
Stock in Trade	6,45,94,989	3,14,60,489
	Total	3,14,60,489
15) TRADE RECEIVABLES		
Unsecured-Considered Good		
Exceeding Six Months	1,28,60,293	1,93,27,572
Other Debts	5,60,13,028	15,52,66,575
Unsecured-Considered Doubtful		
Exceeding Six Months	82,91,616	83,09,514
Less: Provision for Doubtful Debts	82,91,616	83,09,514
	Total	17,45,94,147
16) CASH AND BANK BALANCES		
Cash & Cash Equivalents		
Balance with Banks		
- in Current Accounts	12,95,23,204	6,30,99,368
Cash On hand	7,47,468	4,51,924
Other Bank Balances		
- in Deposit Accounts offered as Security/Margin	23,96,75,093	21,51,67,468
	Total	27,87,18,760
* Deposit with more than 12 months Maturity	1,67,50,000	7,50,000
17) Short Term Loans and Advances		
SECURED CONSIDERED GOOD		
STANDARD ASSETS		
Loans Against Shares (Refer Note:)	68,52,54,879	88,77,07,140
UNSECURED CONSIDERED GOOD		
STANDARD ASSETS		
Loan Against Shares (Refer Note :)	34,79,70,000	52,10,89,060
Deposits	15,21,27,393	15,22,47,393
Advance Income Tax (Net of Provisions)	77,74,926	90,59,184
Service Tax Credit Receivable	73,37,442	53,97,812
Prepaid Expenses	42,62,566	43,51,189
Others	49,13,288	66,74,603
	Total	1,20,96,40,494
18) Contingent Liabilities		
a) Income tax demand contented in appeal	70,43,000	70,43,000
b) Contingent Liabilities on account of Guarantees given to banks on behalf of Group Companies	60,00,00,000	87,20,43,000
	Total	87,90,86,000

SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2016

₹

₹

	Consolidated As at 31.03.2016	Consolidated As at 31.03.2015
19) REVENUE FORM OPERATIONS		
Financial Advisory Services	31,84,743	1,59,09,153
Brokerage & Services	12,23,51,892	11,31,47,452
Interest from financing activities	17,34,54,294	17,17,98,307
Other Operating Income	1,60,79,646	1,30,54,847
Total	31,50,70,575	31,39,09,759
20) OTHER INCOME		
Interest	1,93,66,711	1,77,47,970
Dividend	2,426	2,80,769
Provision no longer required on Standard Assets	9,38,929	-
Provision no longer required on NPA	-	2,34,798
Profit on sale of shares/Mutual fund	54,83,480	3,09,96,049
Long Term Capital Gain	-	65,11,408
Misc Income	92,25,443	1,21,10,905
Others Non Operating Income	49,426	5,75,618
Total	3,50,66,415	6,84,57,517
21) EMPLOYEE BENEFIT EXPENSES		
Salaries, Bonus & Allowances	9,21,45,035	7,99,58,022
Contirbution to Provident Fund & Other Funds	4,61,805	3,11,526
Staff Welfare	13,53,504	11,12,333
Total	9,39,60,344	8,13,81,881
22) FINANCE COST		
Interest on Borrowings	11,74,90,474	12,58,20,466
Other Borrowing Cost	47,49,072	59,42,534
Total	12,22,39,546	13,17,63,000
23) OTHER EXPENSES		
Rent	1,73,29,438	1,66,94,800
Rates & Taxes	26,46,655	7,24,680
Power & Fuel	45,40,631	43,45,481
Repairs & Maintenance		
Others	52,00,852	60,10,369
Building	27,44,630	30,43,430
Travelling & Conveyance	80,55,740	72,85,308
Remisery Charges	3,71,66,049	4,16,51,975
Auditors Remuneration*	8,72,691	9,45,694
Insurance Charges	8,16,558	4,23,443
Membership & Subscription	42,67,289	35,28,991
Business Promotion Expenses	68,47,264	48,72,511
Professional & Consultancy	67,24,054	45,04,474
Communication	32,26,418	42,15,801
Connectivity Expenses	43,89,924	39,34,703
Transaction Charges	80,32,912	62,71,147
Provision for Bad & Doubtful Debts	32,36,578	31,52,943
Provision No Longer Required	(32,54,477)	-
Bad Debts	30,63,792	4,02,248
Loss on De- Subsidiarisation of Shares	-	17,303
Other Expenses	1,11,52,548	1,66,37,805
Total	12,70,59,546	12,86,63,106
*Additional Information		
i) Statutory Audit	6,25,000	6,25,000
ii) Tax Audit	1,50,000	1,50,000
iii) Other Expenses	97,691	1,70,694
Total	8,72,691	9,45,694

24) Principles and Assumptions

- a) The consolidated financial statements have been prepared applying the principles laid in the Accounting Standard (AS-21) Consolidated Financial Statements.
- 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 Statement of Profit & Loss includes Operations of Systematix Fincorp India Limited, Systematix Finvest Private Limited ,Systematix Shares and Stocks (India) Limited, Systematix Commodities Services Private Ltd the wholly owned subsidiary of Company

25) 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.

26) 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.

27) Basic & Diluted Earnings Per Share:

Particulars	2015-16	2014-15
Net Profit/(Loss) attributable to Equity Share Holders	(89 82 261)	1 17 70 802
Weighted Average of Equity shares	1 31 22 558 (face value of Rs.10/- each)	1 31 22 558 (face value of Rs.10/- each)
Basic Earnings Per Share	(0.68)	0.90
Net Profit/(Loss) attributable to Equity Share Holders	(89 82 261)	1 17 70 802
Add: Interest on debenture	-	-
Adjusted Net profit for Diluted EPS	-	-
Weighted Number of Equity Shares outstanding for Diluted EPS	1 31 22 558 (face value of Rs.10/- each)	1 31 22 558 (face value of Rs.10/- each)
Diluted Earnings Per Share	(0.68)	0.90

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

28. Related Party Transactions:

I) Names of Transacting Related Parties

A) Wholly Owned Subsidiaries

- Systematix Fincorp (India) Limited
- Systematix Finvest Private Limited
- Systematix Shares and Stocks (India) Limited
- Systematix Commodities Services Private Limited

B) Presumption of Significance Influence

- Systematix Capital Services Private Limited
- Systematix Distribution Services Private Limited
- Ceepeek Real Estate Private Limited
- Rangsharda Properties Private Limited
- Shubham Mangalam 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
- Shiv Shakti Real Estate Private Limited
- Systematix Assets Management Company Private. Limited
- Nikunj Mercantile Private Limited
- Perspire Builders & Developers Private limited.
- Wonderdream Realtors Private Limited
- Sixth Sense Ventures Private Limited

C) Partnership Firms/LLP's

- Sterling Dreamworks Partners LLP
- Divisha Real Estate Advisors LLP
- Sanskruti Lifespaces LLP
- Divisha Realty LLP
- Divisha Developers LLP

Key Managerial Personnel

Shri C P Khandelwal, Shri Sunil Sarda, Shri. Pradeep Gotecha, Ms. Priyanka Khandelwal, Shri Nikhil Khandelwal, Ms. Vrunda Dhanesha

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
	in lacs		
Superstar Exports Private Ltd	Loan Repaid	112.85	Non Convertible Preference Shares 2 70 00 000 – 100% Equity Shares 47 33 804 36.07%
	Loan Granted	3201.74	
	Loan repaid	3201.74	
	Interest charged	468.51	
	Purchase of long term investments	1561.30	
Systematix Capital Services Private Limited	Loan Granted Loan repaid	940.78 1080.03	Loan Outstanding 222.43
	Interest Paid	89.58	
	DP charges	0.02	0.008 Dr
Shri Sunil Sarda	Remuneration Sitting Fee	47.04 0.15	
Shri C. P. Khandelwal	Remuneration	84.00	
Ms. Anju Khandelwal	Sitting Fee	0.37	
Wonderdream Realtors Private Limited	Rent	24.00	
Thirdwave Mercantile Company Private Limited	Rent	9.60	
Ms. Priyanka Khandelwal	Remuneration	6.60	
Shri Pradeep Gotecha	CFO Remuneration	8.61	
Shri. Mahesh C Solanki	Sitting Fee	0.10	
Shri Shriram Surajmal Khandelwal	Sitting Fee	0.80	
Shri Sanjay Khandelwal	Sitting Fee	0.72	
Shri Nikhil Khandelwal	Remuneration	1.00	
Shri Deepak Khandelwal	Sitting Fees	0.08	
Systematix Assets Management Company Private Ltd	Reimbursement of Expenses	13.28	
Systematix Distributions Services Private Ltd	Prof Fee Paid	10.25	
Goldflag Exports Private Limited	Rent paid	8.40	
			Security deposit Rs 225.00
Snehavardhini Properties P Ltd	Rent paid	1.20	
Rangsharda Properties Private Limited	Rent paid	1.80	
Shubhamangalam Real Estate Private Limited	Rent paid	1.05	

Funsign Real Estate Private Limited	Rent paid	1.20	
Tek Point Properties Private Limited	Rent paid	1.80	
Swaraj Apartments Private Limited	Rent paid	3.00	
Ceepeek Real estate private limited	Rent paid	0.90	
Systematix Shares & Stocks (I) Limited	Corporate Guarantee given for Bank Guarantee & Overdraft	5600.00	
Systematix Commodities Services Private Limited	Corporate Guarantee given for Bank Guarantee	400.00	

29) Employee Benefits:

Disclosure as required under Accounting Standard AS (15) of the Companies (Accounts) Rules, 2014

General Description	As on 31.03.2016	As on 31.03.2015
Post employment Benefit Gratuity-Funded		
i) Changes in the Present Value Of the Obligation (PVO)-		
Reconciliation of Opening and Closing Balances:		
PVO as at the beginning of the Period	1 56 91 905	1 05 38 978
Interest cost	12 07 059	9 56 438
Current service cost	33 69 283	23 70 345
Benefits paid	(4 33 606)	(2 85 822)
Actuarial Loss/(Gain) on obligation	(26 17 647)	21 11 966
PVO as at the end of the period	1 72 16 994	1 56 91 905
ii) Changes in Fair Value of Plan Assets		
Fair Value of Plan Assets at the beginning of the Period	75 89 840	20 20 224
Adjustment to Opening Fair value of Plan Assets	8 785	(1 92 663)
Expected Return on Plan Assets	7 55 200	3 92 200
Contributions	24 99 046	55 94 006
Benefit Paid	(4 33 606)	(2 85 822)
Actuarial gain/(loss) on plan assets	(26 190)	61 895
Fair Value of Plan Assets at the end of the period	1 03 93 075	75 89 840
iii) Amount recognized in the Balance Sheet and Related Analysis		
Present value of obligation	1 72 16 994	1 56 91 905
Fair value of Plan assets	1 03 93 075	75 89 840
Difference Liability Recognized in the Balance Sheet	68 23 919	81 02 065

iv) Expenses Recognized in the Profit & Loss account:		
	33 69 283	23 70 345
Current service Cost	12 07 059	9 56 438
Interest Cost	-	-
Past Service Cost-(Vested Benefits)	(7 55 200)	(3 92 200)
Expected Return on Plan Assets	(25 91 457)	20 50 071
Net actuarial (gain)/loss recognized In the year	12 29 685	49 84 654
Expenses recognized in the statement of Profit & Loss		
iv) Principal Actuarial Assumption		
Discount Rate	8.00%	7.80%
Salary Escalation Rate	10.00%	10.00%
Attrition Rate	Up to Age 45: 15% 46 and above:5%	Up to Age 45: 15% 46 and above:5%
Expected Rate of Return on Plan Assets	8.75%	8.75%

30) SEGMENT INFORMATION

PARTICULARS	YEAR ENDED	YEAR ENDED
	31.03.2016	31.03.2015
	₹In Lakhs	₹In Lakhs
1. Segment Revenue		
a) Merchant Banking & Related Activities	31.90	161.35
b) Financing & Other Activities	1958.53	1750.95
c) Equity, Commodity, Currency & Other Transactional Services	1746.96	1956.11
Total	3737.39	3868.41
Less:		
Inter Segment Revenue	236.02	44.74
Net income from Operations	3501.37	3823.67
2. Segment Results Profit Before Tax and Interest from each segment		
a) Merchant Banking & Related Activities	(141.14)	0.95
b) Financing & Other Activities	1274.59	1378.46
c) Equity, Commodity, Currency & Other Transactional Services	32.51	177.69
Total	1165.96	1557.10

Less:		
a) Interest	1222.40	1317.63
Total profit before Tax & Extra ordinary Items	(56.44)	239.47
3. Capital Employed (Segment Assets-Segment Liabilities)		
a) Merchant Banking & Related Activities	(53.19)	102.58
b) Financing & Other Activities	3302.16	3264.26
c) Equity, Commodity, Currency & Other Transactional Services	4308.06	4292.70
Total	7557.03	7659.54

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.

31. Expenditure in Foreign Currency

Particulars	31.03.2016	31.03.2015
Travelling	6 46 644	0

32. Earnings in Foreign Currency

Particulars	31.03.2016	31.03.2015
Service Fees Received	2 60 094	4 69 153
Research Commission	14 687	17 448

33. Figures for the previous year have been re-grouped wherever necessary, to conform to Current year classification.

Vide our report of date attached

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

For & on behalf of Board of Directors

Sd/-
K V SRINIVASAN
Partner
M.NO 204368

Sd/-
C P Khandelwal
Managing Director

Sd/-
Pradeep Gotecha
Director & CFO

Place; Mumbai
Date; 30.05.2016

Sd/-
Vrunda Dhanesha
Company Secretary

SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

	31.03.2016	31.03.2015
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extra ordinary items	(56,41,014)	2,39,47,190
Adjustments for : -		
1 Depreciation	1,25,18,568	1,66,12,099
2 Interest/Dividend Received	(1,93,69,137)	(1,80,28,739)
3 Profit on Sale of Investment	-	(65,11,408)
4 Loss on Sale of Assets	90,231	8,24,143
5 Share of (Profit) Transferred to Minority Interst	-	(353)
Operating profit before working capital changes	(1,24,01,352)	1,68,42,932
Adjustments for : -		
1 Trade and Other Receivables	44,94,72,212	(44,59,60,376)
2 Trade Payable	12,99,794	(1,91,96,094)
3 Long Term Loans & Advances	(1,12,05,127)	(3,40,02,111)
Cash Generated from operation	42,71,65,527	(48,23,15,649)
Interest Paid	12,22,39,546	13,17,63,000
Cash Flow Before extraordinary items	54,94,05,073	(35,05,52,649)
Extraordinary Items	1,23,872	14,393
Net Cash from/ (Used) in Operating activities	54,92,81,201	(35,05,67,042)
B CASH FLOW FROM INVESTING ACTIVITIES		
1 Purchase of Fixed Assets	(66,45,772)	(8,63,115)
2 Sale of Fixed Assets	40,450	7,10,976
3 Purchase of Investments	-	-
4 Profit on Sale of Investment	-	65,11,408
5 Goodwill	-	(70,77,556)
6 Sale of Investments	-	8,65,028
7 Interest Received	1,93,69,137	1,80,28,739
Net Cash from/ (Used) in Investing Activities	1,27,63,815	1,81,75,480
C CASH FLOW FROM FINANCIANG ACTIVITIES		
1 Proceeds from issue of Share Capital/Dedenture	(15,61,30,000)	27,00,00,000
2 Redemption of Pref Share Capital	-	(70,000)
3 Proceeds from Long and Short Term Borrowings	(19,24,48,465)	29,03,29,562
4 Interest Paid	(12,22,39,546)	(13,17,63,000)
Net Cash from financiing activities	(47,08,18,011)	42,84,96,562
Net increase in Cash and Cash equivalents (A+B+C)	9,12,27,005	9,61,04,999
Cash and Cash equivalents as (Opening Balance)	27,87,18,760	18,26,13,761
Cash and Cash equivalents as (Closing Balance)	36,99,45,765	27,87,18,760

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

For & on behalf of the Board of Directors

sd/-
C P Khandelwal
Managing Director

sd/-
Pradeep Gotecha
Director & CFO

sd/-
K V Srinivasan
Partner
M.No:204368

sd/-
Vrunda Dhanesha
Company Secretary

Place: Mumbai
Date: 30.05.2016

FORM - MGT – 11

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

CIN: L91990MP1985PLC002969

Name of the Company: SYSTEMATIX CORPORATE SERVICES LIMITED

Registered Office: 206-207, Bansi Trade Centre, 581/5, M.G. Road, Indore - 452001, Madhya Pradesh, India

Name of the Member (s):			
Registered Address:			
E-mail Id:	Folio No / Client Id:	DP ID:	

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

1. Name:

Address:

E-mail Id:

Signature:, or failing him/her

2. Name:

Address:

E-mail Id:

Signature:, or failing him/her

3. Name:

Address:

E-mail Id:

Signature:

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 31st Annual General Meeting of the Company, to be held on the 30th day of September, 2016 at 11.00 a.m. at 206-207, Bansi Trade Centre, 581/5, M.G. Road, Indore - 452001, Madhya Pradesh and at any adjournment thereof, in respect of such resolutions as are indicated below:

ORDINARY BUSINESSES

Resolution No. 1: Adoption of Audited Financial Statements for the financial year ended March 31, 2016 together with reports of the Auditors and Board of Directors thereon

Resolution No. 2: Re-appointment of Mr. Chandra Prakash Khandelwal, Director, who retires by rotation

Resolution No. 3: Ratification of Appointment of M/s. Maharaj N.R. Suresh & Co. as Statutory Auditors upto Next Annual General Meeting and fixing their remuneration.

SPECIAL BUSINESSES

Resolution No. 4: Regularization of Additional Director, Mr. Pradeep Gotecha

Resolution No. 5: Determining the fees for delivery of any document through a particular mode of delivery to a member

Signed this day of, 2016

Signature of Shareholder (s) :

Signature of Proxy Holder (s):



Notes:

1. This form of proxy in order to be effective should be duly completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the resolutions, Explanatory Statement and Notes, Please refer to the Notice of 31st Annual General Meeting.

Systematix Corporate Services Limited

Registered Office: 206-207, Bansi Trade Centre, 565/581, M.G. Road, Indore – 452001 Madhya Pradesh.

Corp. Office: The Capital, "A" Wing, 6th Floor, No.603-606, Plot No. C-70,' G' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

CIN- L91990MP1985PLC002969 Website: www.systematixgroup.in Tel No: +91-22-6704 8000

ATTENDANCE SLIP

(To be signed and handed over at the entrance of the meeting venue)

Regd. Folio No.: _____

DP ID*: _____

No. of Shares held: _____

Client ID*: _____

Full Name of the Member (in Block Letters): _____

Name of the Proxy: _____

(To be filled-in if the Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 31st **ANNUAL GENERAL MEETING** of the Company **on Friday, September 30, 2016 at 11.00 a.m.** at 206-207, Bansi Trade Centre, 581/5, M.G. Road, Indore - 452001, Madhya Pradesh.

Members / Proxy's Signature
(To be signed at the time of handing over this slip)

* Applicable for members holding shares in electronic form.

Note: Members are requested to bring their copies of the Annual Report to the meeting

Systematix Corporate Services Limited

Registered Office: 206-207, Bansi Trade Centre, 565/581, M.G. Road, Indore – 452001 Madhya Pradesh.

Corp. Office: The Capital, "A" Wing, 6th Floor, No.603-606, Plot No. C-70,' G' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051

CIN- L91990MP1985PLC002969 Website: www.systematixgroup.in Tel No: +91-22-6704 8000

**BOOK-POST
(PRINTED MATTER)**

To, _____

If Undelivered, Please return to:

SYSTEMATIX CORPORATE SERVICES LIMITED

CIN - L91990MP1985PLC002969

**Registered Office: 206-207, Bansi Trade Centre,
581/5, M.G. Road, Indore- 402001, Madhya Pradesh**

Tel: 0731- 3018111 | Fax: 0731 – 4068253

E-mail: secretarial@systematixgroup.in

Website: www.systematixgroup.in