

03<sup>rd</sup> September, 2019

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

Scrip Code : 526506

**Sub: Submission of Annual Report for the financial year 2018-2019 under regulation 34 of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

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 2018-19 along with Notice of the 34<sup>th</sup> Annual General Meeting to be held on Friday, 27<sup>th</sup> September, 2019 at 11.00 am at the registered office of the Company.

The same is also uploaded on the Company's website.

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

Thanking You,

Yours faithfully,  
**For Systematix Corporate Services Limited**

**Vrunda Dhanesha**  
**Company Secretary & Compliance Officer**

**Encl: As Above**

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**Systematix Corporate Services Limited**

**Registered Office** : 206 - 207, Bansi Trade Centre, 581/5, M. G. Road, Indore - 452 001. Tel. : +91-0731-4068253  
**Corporate Office** : The Capital, A-Wing, No. 603 - 606, 6th Floor, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051.  
Tel : +91-22-6619 8000 / 4035 8000 Fax : +91-22-6619 8029 / 4035 8029  
CIN : L91990MP1985PLC002969 Website : [www.systematixgroup.in](http://www.systematixgroup.in) Email : [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in)  
SEBI Merchant Banking Registration No. : INM000004224





**SYSTEMATIX CORPORATE SERVICES LIMITED**

**34<sup>th</sup> Annual Report**

**2018-2019**

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**CONSOLIDATED**

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**AGM DETAILS****ANNUAL GENERAL MEETING****Date : September 27, 2019****Day : Friday****Time : 11.00 a.m.****Venue : 206-207, Bansi Trade Center,  
581/5, M.G. Road, Indore - 452001 (M.P.)**

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. Chandra Prakash Khandelwal	-	Chairman & Managing Director
Mrs. Anju Khandelwal	-	Director
Mr. Nikhil Khandelwal	-	Managing Director
Mr. Shriram Surajmal Khandelwal	-	Independent Director
Mr. Sanjay Khandelwal	-	Independent Director
Mr. Rakesh Mehta	-	Independent Director

#### CHIEF FINANCIAL OFFICER

Mr. Anil Bhagchandani

#### COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. 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. S. Jawahar & Associates  
Chartered Accountants  
Lalithalaya, 2nd Floor, No.5, Panjaliamman Koil  
Street, Arumbakkam, Chennai - 600 106.

### BANKERS

Axis Bank Ltd  
Bank of India

### 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](mailto:cameo@cameoindia.com) , Web: [www.cameoindia.com](http://www.cameoindia.com)

### REGISTERED OFFICE

206-207, Bansi Trade Centre, 581/5, M.G.Road,  
Indore – 452001, Madhya Pradesh.  
Tel.: 0731-4068253  
e-mail: [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in)  
Web: [www.systematixgroup.in](http://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

## KEY MANAGERIAL PERSONNELS' BIOGRAPHY

### CHANDRA PRAKASH KHANDELWAL : CHAIRMAN & MANAGING DIRECTOR

Mr. Chandra Prakash Khandelwal, an avant-garde visionary, is the founder and chairman of Systematix group. He is a qualified Chartered Accountant and has a vast experience of more than 30 years in consummating mega deals involving some of the largest conglomerates in India. His foresight and acumen are complimented by strong moral values, which make it easy for corporate 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 in Electronic and Electricals. She has experience of more than 13 years as Asst. professor in GSITS, one of the oldest and leading engineering college in Central India. Mrs. Anju Khandelwal is Director of Systematix Shares and Stocks (India) Limited 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.

### NIKHIL KHANDELWAL : MANAGING DIRECTOR

Mr. Nikhil Khandelwal holds a degree in management studies (MBA) from the ISB, Hyderabad and Bachelor in Engineering (BE) from Manipal Institute of Technology (MIT) and responsible for overseeing the group's expansion in Institutional Broking and Investment Banking Business. Previously worked with IDFC Research. Leads the Investment Banking Advisory business of Systematix and has 13 years of rich experience in M&A, Private Equity and Strategic Advisory for a wide variety of industries and clients in India and internationally. Has been instrumental in building Systematix's advisory business into an Industry Focused Cross Border M&A platform – with strong engagements with several mid to large India, US, Japan and Europe based companies. At Systematix, he has been advising large corporates and investors based in India and internationally.

### SHRIRAM SURAJMAL KHANDELWAL : INDEPENDENT DIRECTOR

Mr. Shriram Khandelwal is a qualified Chartered Accountant with more than 33 years of experience in the Accounts & Finance profession and he is based at Mumbai. He graduated from Rajasthan University in 1972 and is a Fellow Member of the Institute of Chartered Accountant of India (ICAI). He has conducted several Audits and Taxation assignments of various companies. He is associated with us since 2013. He also actively participates in social work and Member of various Charitable institutions.

### SANJAY KHANDELWAL : 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.

### RAKESH MEHTA : INDEPENDENT DIRECTOR

Mr. Rakesh Mehta is a qualified chartered Accountant and cost Accountant passed with merit having experience of more than 35 years in top multi-national companies. He has wide experience in handling commercial functions of big projects. He has worked as Vice President in Reliance group of companies and commercially handled various projects such as world biggest grass root refinery at Jamnagar, Telecommunication project, Retail Petroleum, Retail and Petro chemical business.

He has also taken lead in establishing new concept of shared services in the organisation which facilitated centralised control of various organizational functions.

**ANIL BHAGCHANDANI : CHIEF FINANCIAL OFFICER**

Mr. Anil Bhagchandani is a qualified Chartered Accountant with a rich experience of more than 9 years in the field of finance and taxation. He has a good communication skill to deal with other department supervisors as well as executive management and he strongly believes in team work.

**VRUNDA DHANESHA : COMPANY SECRETARY & COMPLIANCE OFFICER**

Mrs. Vrunda Dhanesha is associate member of Institute of Company Secretaries of India and has gained experience of more than 6 years in Secretarial Department. She is associated with Systematix Group since 2015. She has sound knowledge on SEBI regulations and Companies Act, 2013. She has ability to establish and implement good governance practices.

**NOTICE**

**Notice** is hereby given that the 34<sup>th</sup> Annual General Meeting of the Members of **Systematix Corporate Services Limited** will be held on **Friday, 27<sup>th</sup> September, 2019** at **11.00 a.m.** at the registered office of the Company situated at 206-207, Bansi Trade Centre, 581/5, M.G. Road, Indore- 452001, Madhya Pradesh to transact the following business:-

**ORDINARY BUSINESS:**

1. To consider and approve the standalone and consolidated audited financial statements comprising balance sheet as at 31<sup>st</sup> March, 2019, statement of profit and loss alongwith the schedules and cash flow statement of the company for the year ended 31<sup>st</sup> March, 2019 together with the reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Nikhil Khandelwal (DIN: 00016387) who retires by rotation and being eligible, offers himself for re-appointment 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 152 of the Companies Act, 2013, Mr. Nikhil Khandelwal (DIN: 00016387), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. To ratify the re-appointment of Auditors and fix their remuneration and in this regard, pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Section 139 (8) 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), consent of the company be and is hereby accorded to ratify the re-appointment of M/s. S Jawahar & Associates, Chartered Accountants (Firm Registration No. 006232S) as the Statutory Auditors of the Company for the remaining period from the conclusion of this Annual General Meeting till the conclusion of the 37<sup>th</sup> Annual General Meeting of the Company on such remuneration as may be mutually agreed between the Board of Directors of the company and the Auditors.”

**SPECIAL BUSINESS:**

4. **Re-appointment of Mr. Sanjay Khandelwal as an Independent Director:**  
**To consider and if thought fit, to pass the following resolution as SPECIAL RESOLUTION:**

**“RESOLVED THAT** pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based upon the recommendation of Nomination & Remuneration Committee and the Board of Directors, Mr. Sanjay Khandelwal (DIN: 01592134), who was appointed as an Independent Director and who holds office of Independent Director up to 29<sup>th</sup> September, 2019 and being eligible, and in respect of whom the Company has received a notice in writing under Section 160, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company with effect from 30<sup>th</sup> September, 2019 to 29<sup>th</sup> September, 2024.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper and expedient to give effect to this resolution.”

By Order of the Board

SD/-  
Vrunda Dhanesha  
Company Secretary

**Date:** 13.08.2019

**Place:** Mumbai

**Registered Office :**

206-207, Bansi trade Centre,

581/5, M. G. Road,

Indore - 452 001

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. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the meeting. A person can act as proxy on behalf of Members not exceeding fifty in number and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case of a Member holding more than 10% of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who shall not act as proxy for any other person or shareholder. Members / Proxies should bring the Attendance Slip duly filled in and signed for attending the meeting.
2. 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.
3. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
4. Statement pursuant to section 102 of the Companies Act, 2013 forms part of this notice. The brief details as required under Clause 36(3) of SEBI (LODR) Regulations, 2015, of persons seeking appointment/ re-appointment as Directors under Item No. 4 of the Notice, is also annexed.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 21.09.2019 to 27.09.2019 (both days inclusive).
6. 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 during business hours of the Company, except Saturdays and Sundays up to the date of the Annual General Meeting.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 and 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 attending the Annual General Meeting.
8. 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.
9. As stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per clause 1.2.5 of Secretarial Standard on General Meetings (SS-2), a profile and brief resume of the directors seeking appointment/ re-appointment, 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.
10. 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/ Cameo Corporate Services Limited, Registrars and Transfer Agents.
11. Non- Resident Indian Members are requested to inform Cameo Corporate Services Limited, 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.

12. Electronic copy of the Annual Report is being sent to all the members whose email IDs are registered with the Company's Depository Participants(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.
13. Members may also note that the Notice of the 34<sup>th</sup> Annual General Meeting and the Annual Report for 2018-2019 will also be available on the Company's website [www.systematixgroup.in](http://www.systematixgroup.in). 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: [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in)
14. 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 to exercise their right to vote by electronic means. The Members / list of Beneficial Owners as on cut-off date as on Friday, 20<sup>th</sup> September, 2019, 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, 24<sup>th</sup> September, 2019 and will end at 5.00 p.m. on Thursday, 26<sup>th</sup> September, 2019.
15. Investor Grievance Redressal: The Company has designated an exclusive e-mail id [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in) to enable investors to register their complaints, if any.
16. The Company's Registrar and Transfer Agents for its share registry (both physical as well as electronic) is Cameo Corporate Services Limited having its office at "Subramanian Building", V Floor, Building no.1, Club House Road, Chennai-600002.
17. Please refer annexure to notice for route map giving direction to venue of the meeting.
18. **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 34<sup>th</sup> Annual General Meeting scheduled to be held on 27<sup>th</sup> September, 2019 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	<b>From 9.00 a.m. on Tuesday 24<sup>th</sup> September, 2019</b>
End of remote e-voting	<b>Up to 5.00 p.m. on Thursday 26<sup>th</sup> September, 2019</b>

**The cut-off date (i.e. the record date) for the purpose of remote e-voting is 20<sup>th</sup> September, 2019**

**The instructions and other information for shareholders voting electronically are as under:**

- (i) The voting period begins on Tuesday, 24<sup>th</sup> September, 2019 from 9.00 a.m. and ends on Thursday, 26<sup>th</sup> September, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 20<sup>th</sup> September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).

- (iv) Click on Shareholders.
- (v) Now Enter your User ID
- For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the 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.</li> </ul>
<b>Dividend Bank Details or Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>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 (iv).</li> </ul>

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

- (xviii) 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.
- (xix) 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. Apple 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.
- (xx) **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](http://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](mailto: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 mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- For any grievance connected with facility for e-voting, members may contact Mrs. Vrunda Dhanesha, Company Secretary at 022-66198000 or write an email to [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in)
- (i) 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.
- (ii) M/s. Kothari H. & Associates, Practicing Company Secretaries has been appointed as the Scrutinizer for the remote e-voting process and Mr. Ankit Joshi, PCS for scrutinizing the physical voting facility by conducting the poll process.
- (iii) 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.
- (iv) 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.
- (v) 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.
- (vi) 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](http://www.systematixgroup.in) within 48 hours of conclusion of 34<sup>th</sup> 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 SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.****ITEM NO. 4**

Mr. Sanjay Khandelwal was appointed as an Independent Director of the Company and he holds office as an Independent Director of the Company upto 29<sup>th</sup> September, 2019 (first term).

The Nomination & Remuneration Committee of the Board of Director of the Company has recommended re-appointment of Mr. Sanjay Khandelwal as an Independent Director for a second term of 5 (five) consecutive years w.e.f. 30<sup>th</sup> September, 2019 to 29<sup>th</sup> September, 2024.

In the opinion of the Board, Mr. Sanjay Khandelwal fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his re-appointment as an Independent Director of the Company and is independent of the management.

The Company has received request in writing from a member of the company proposing Mr. Sanjay Khandelwal' s candidature for re-appointment as Independent Director of the Company in accordance with the provisions of Section 160 and all other applicable provisions of the Companies Act, 2013.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sanjay Khandelwal as an Independent Director. Accordingly, the Board recommends the resolution in relation to re-appointment of Mr. Sanjay Khandelwal as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Sanjay Khandelwal, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

The Board of Directors accordingly recommends the resolution set out in Item No. 4 of the accompanying Notice for the approval of the members as special resolution.

By Order of the Board

SD/-

Vrunda Dhanesha  
Company Secretary

Date: 13.08.2019

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) and as per clause 1.2.5 of Secretarial Standard on General Meetings (SS-2)**

Sr. No.	Name of the Director	Mr. Nikhil Khandelwal	Mr. Sanjay Khandelwal
1	Date of Birth	12/12/1984	11/01/1969
2	Age	34 years	50 years
3	Date of Appointment	13/08/2018	30/09/2014
4	Permanent Account Number (PAN)	ARPPK3859H	AAPPK1992E
5	Director Identification Number (DIN)	00016387	01592134
6	Expertise in specific functional areas	More than 13 years	More than 10 years
7	No. of Equity shares held in the Company (as on March 31, 2019)	93455	-
8	Qualifications	B.E., MBA	BE
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)	-	Member of Audit Committee: <ul style="list-style-type: none"> <li>• Systematix Fincorp India Limited</li> <li>• Systematix Finvest Private Limited</li> </ul>
11	Relationships, if any, between Directors, Manager & KMP inter se	Son of Mr. Chandra Prakash Khandelwal & Mrs. Anju Khandelwal	-
12	Terms & Conditions of re-appointment	Executive Director liable to retire by rotation	re-appointed for next 5 years
13	Remuneration last drawn	20 Lakh p.a.	Nil
14	Remuneration sought to be paid	20 Lakh p.a.	Nil
15	Shareholding	93455 shares	-
16	No. of Board Meetings attended during the year	3 (Three)	4 (four)

**ANNEXURE - I**

<b>Sr. No.</b>	<b>Names of The Companies / Bodies Corporate / Firms / Association of Individuals</b>	<b>Nature of interest or concern / Change in interest or Concern</b>	<b>Date on which interest or concern arose / changed</b>
1	Superstar Exports Private Limited	Director	12-03-2004
2	Swaraj Apartments P Ltd	Director	01-10-2005
3	Systematix Assets Management Company Private Limited	Director	01-07-2010
4	Systematix Capital Services Private Limited	Managing Director	07-03-2012
5	Perspire Builders & Developers Private Limited	Director	20-09-2012
6	Wonderdream Realtors Private Limited	Director	02-07-2013
7	Systematix Ventures Private Limited	Director	03-09-2013
8	Funsign Real Estate Private Limited	Director	02-07-2014
9	Ceepeek Real Estate Private Limited	Director	02-07-2014
10	Shubham Mangalam Real Estate Private Limited	Director	02-07-2014
11	Snehvardhini Properties Private Limited	Director	02-07-2014
12	Tekpoint Properties Private Limited	Director	02-07-2014
13	Rangsharda Properties Private Limited	Director	02-07-2014
14	Systematix Shares and Stocks (India) Limited	Whole-time Director	15-01-2016
15	First Lady Housing Private Limited	Director	01-05-2016
16	Systematix Commodities Services Private Limited	Additional Director	25-06-2019

**ANNEXURE - II**

<b>Sr. No.</b>	<b>Names of The Companies / Bodies Corporate / firms / Association of Individuals</b>	<b>Nature of interest or concern / Change in interest or Concern</b>	<b>Date on which interest or concern arose / changed</b>
1	Kamal Automation Systems Private Limited	Director	13-08-2007
2	Systematix Finvest Private Limited	Director	22-09-2014
3	Systematix Fincorp India Limited	Director	23-09-2014
4	KPA Welfare Foundation	Director	08-07-2015

## ROUTE MAP TO THE VENUE OF THE ANNUAL GENERAL MEETING

**Venue of Annual General Meeting**

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

For queries, contact us at:

☎ : 022- 66198000

✉: [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in)



## DIRECTORS' REPORT

To,  
The Members of  
**SYSTEMATIX CORPORATE SERVICES LIMITED**

Your Directors have pleasure in presenting the 34<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2019.

### 1. FINANCIAL SUMMARY OF THE COMPANY:

(₹ in Lakh)

Particulars	Year ended 31 <sup>st</sup> March, 2019		Year ended 31 <sup>st</sup> March, 2018	
	Standalone	Consolidated	Standalone	Consolidated
Total Income	826.91	5615.18	761.24	5580.07
Total Expenditure	858.46	5815.21	371.95	4682.69
<b>Profit before Exceptional &amp; Extraordinary Items and Tax</b>	(31.56)	(200.02)	389.29	897.39
Exceptional Items	-	-	-	-
Extraordinary Items	-	-	-	-
<b>Profit/(Loss) before Tax</b>	(31.56)	(200.02)	389.29	897.39
Provision for Taxation	-	48.51	96.51	244.30
Deferred Tax	(0.23)	(11.79)	(1.21)	3.5
Income Tax related to Earlier Years	-	(2.64)	1.19	10.59
<b>Profit/(Loss) after Tax</b>	(31.33)	(234.12)	292.80	639.00
Paid up Share Capital	3798.03	3798.03	3998.03	3998.03
Reserves & Surplus	2475.16	4716.49	2506.49	4949.34
Proposed Dividend / Transfer to Reserve	-	-	-	-
Surplus / Deficit Transfer to Balance sheet	-	-	-	-
EPS (Basic)	(0.24)	(1.80)	2.26	4.92
EPS (Diluted)	(0.24)	(1.80)	2.26	4.92

### 2. TRANSFER TO RESERVES:

Since the Company incurred loss, it is not proposed to transfer any amount to reserves during FY 2018-19.

### 3. DIVIDEND:

In view of the loss incurred, Board do not propose any dividend for the Financial Year ended 31<sup>st</sup> March, 2019.

### 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 ₹ 826.91 Lakh as compared to income of ₹ 761.24 Lakh of the previous year which is 8.63% more as compared to last year Income. Consolidated income of ₹ 5615.18 Lakh as compared to income of ₹ 5580.07 Lakh of the previous year which is 0.63% more as compared to last year Income.

The Company has incurred standalone loss during the year of ₹ (31.33) Lakh as compared to the standalone profit after tax of the previous year of ₹ 292.80 Lakh, and consolidated loss during the year of ₹ (234.12) Lakh as compared to the consolidated profit after tax of the previous year of ₹ 639 Lakh.

#### **5. 5.1 DETAILS OF WHOLLY OWNED SUBSIDIARIES:**

The Company as on **31<sup>st</sup> March, 2019** had five Wholly Owned Subsidiaries viz:

- (i) Systematix Shares and Stocks (India) Limited
- (ii) Systematix Fincorp India Limited
- (iii) Systematix Finvest Private Limited
- (iv) Systematix Commodities Services Private Limited
- (v) Systematix Ventures 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 under review, Superstar Exports Private Limited has become its Holding Company with effect from 8<sup>th</sup> May, 2018 and there is no company becoming or ceasing as a subsidiary, associates and 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:**

There are no 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.

**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 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. As the transactions entered do not fall under Section 188(1) of the Companies Act, 2013. Hence disclosure in Form ACO-2 is not required to be furnished. Related Party transaction policy is posted on the website of the company and is available at [www.systematixgroup.in](http://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 25 in 'Notes forming a part of financial statement' annexed to the financial statements for the year.

The company has formulated a policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions and the same is placed on website.

**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 31<sup>ST</sup> MARCH, 2019:**

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

**13.2 SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2019:**

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 2018-19 is annexed herewith as '**Annexure II**'. The said report does not contain any qualification, reservation or adverse remark or disclaimer.

**13.3 STATUTORY AUDITORS:**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 M/s. S Jawahar & Associates, Chartered Accountants (Firm Registration No. 006232S) has been appointed as Statutory Auditors of the company for a period of five years to hold office from the conclusion of 32<sup>nd</sup> Annual General Meeting till the conclusion of 37<sup>th</sup> Annual General Meeting of the Company. They have confirmed that they are not disqualified from continuing as the Auditors of the Company.

**14. SHARE CAPITAL:**

During the year under review, there is no change in equity share capital of the company.

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 2018-2019.

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 2018-2019.

**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 31<sup>st</sup> March, 2019 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 the necessary steps have been taken to conserve & preserve the energy.

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:

		(In ₹)
a.	Total foreign exchange earned	6,15,825
b.	Total foreign exchange outgo	5,65,738

**16. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A) CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Nikhil 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. Nikhil Khandelwal has been appointed as Additional Director with effect from 13<sup>th</sup> August, 2018 and designated as Managing Director for a period of three years with effect from 01<sup>st</sup> September, 2018 to 31<sup>st</sup> August, 2021.

Mr. Shriram Khandelwal was re-appointed as independent Director for a second term of five consecutive years with effect from 01<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024.

Mr. Rakesh Mehta was re-designated from the position of Additional Independent Director to Independent Director for term of five consecutive years with effect from 10<sup>th</sup> March, 2018 to 09<sup>th</sup> March, 2023. With effect from 29<sup>th</sup> May, 2018, Mr. Mahesh Solanki has resigned from the post of Independent Director.

During the financial year, Mr. Anil Bhagchandani was appointed as Chief Financial Officer with effect from 29<sup>th</sup> May, 2018.

**B) DECLARATION BY AN INDEPENDENT DIRECTOR(S):**

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 and Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**D) FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS:**

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a Familiarization Programme for Independent Directors to familiarize them with the working of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates business model etc. Details of the Familiarization Programme are explained in the Corporate Governance Report and are also available on the Company's website at [www.systematixgroup.in](http://www.systematixgroup.in)

**17. DISCLOSURES RELATED TO BOARD AND COMMITTEE:****17.1 BOARD MEETINGS:**

The Board of Directors met 6 times during the financial year ended 31<sup>st</sup> March, 2019 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 DIRECTORS (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](http://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 Nomination and remuneration policy formulated by this Committee. The Company's Nomination and Remuneration Policy framed under Section 178(3) of the Companies Act, 2013 and Chapter IV 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:**

The Company is committed to provide a safe and conducive work environment to its employees. Your Directors further state that during the year under review, there were no cases filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In accordance with the introduction of Companies (Accounts) Amendment Rules, 2018 dated 31<sup>st</sup> July, 2018, your Directors would further like to inform that the Company has duly constituted Internal Complaints Committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

#### **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 required under Section 197 (12) of the Act, read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as '**Annexure – V**' to this report.

#### **19. CORPORATE GOVERNANCE CERTIFICATE:**

The Compliance certificate from M/s .S. Jawahar & Associates, Chartered Accountants Chennai (Firm Registration No. 001931S) regarding compliance 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 provisions of section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable.

#### **21. INTERNAL CONTROLS OVER FINANCIAL REPORTING (ICFR):**

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year such controls were tested and no reportable material weakness in the design or operations were observed. The Company has policies and procedures 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.

#### **22. INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS:**

Pursuant to the notification issued by the Ministry of Corporate Affairs dated 16th February, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015. Our Company, being a SEBI registered 'Category I' Merchant Banker having net worth of rupees less than five hundred Crore, has adopted "IND AS" with effect from 01st April, 2019, with the comparatives for the periods ending 31st March, 2019.

#### **23. 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 31<sup>st</sup> March, 2019, 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 31<sup>st</sup> March, 2019 and of the 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.

**24. ACKNOWLEDGEMENTS:**

Your Directors gratefully acknowledge the excellent support received from all stakeholders of the Company viz. clients, members, dealers, vendors, banks and other business partners 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: 13.08.2019**

**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 Lakh)

Sr. No.	1.	2.	3.	4.	5.
<b>Name of the subsidiary</b>	Systematix Shares and Stocks (India) Limited	Systematix Fincorp India Limited	Systematix Finvest Private Limited	Systematix Commodities Services Private Limited	Systematix Ventures Private Limited
<b>Reporting period for the subsidiary concerned, if different from the holding company's reporting period</b>	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries</b>	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Share Capital</b>	416.35	167.58	187.82	80.00	30.00
<b>Reserves &amp; surplus</b>	3626.83	2384.06	1154.67	192.35	(15.86)
<b>Total assets</b>	6155.17	5050.69	7334.62	579.52	14.91
<b>Total Liabilities</b>	6155.17	5050.69	7334.62	579.52	14.91
<b>Investments</b>	-	-	-	-	-
<b>Turnover</b>	2429.73	947.63	1102.91	63.47	-
<b>Profit before taxation</b>	(308.80)	98.86	79.21	(18.59)	(17.88)
<b>Provision for taxation</b>	(14.68)	26.23	21.96	0.82	-
<b>Profit after taxation</b>	(294.12)	72.63	57.25	(19.41)	(17.88)
<b>Proposed Dividend</b>	-	-	-	-	-
<b>% of shareholding</b>	100%	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 31<sup>ST</sup> MARCH, 2019

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

To,  
The Members  
**Systematix Corporate Service Limited**

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, 2019 ('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, 2019 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made there under;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under 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, 2015 and amendment made thereunder;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(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; and the SEBI (Share Based Employee Benefits) Regulations, 2014 **(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)**
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.

(1) 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment made thereunder; 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. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

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** Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / Company Secretary / CFO / KMP taken on record by the Board of Directors of the Company, in our opinion there are adequate systems and processes in the Company commensurate with the size and the operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law Compliances have been subject to review by statutory financial audit and other designated professionals.

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

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.

- iii. Merger / amalgamation / reconstruction, etc,
- iv. Foreign technical collaborations.

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

SD/-

**Hitesh Kothari**

Membership No. 6038

Certificate of Practice No. 5502

Place: Mumbai

Date: 13.08.2019

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.**

Our report of even date is to be read along with this letter.

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/-  
**Hitesh Kothari**  
Membership No. 6038  
Certificate of Practice No. 5502

## ANNEXURE-III

## FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2019

[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 <sup>st</sup> 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	<u>Cameo Corporate Services Limited</u> "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	% to total turnover of the company
		[NIC Code - 2008]	
1.	Financial Advisory Services	K7	100%

## 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	<b>Superstar Exports Private Limited</b> The Capital, A-wing, No. 603 – 606, 6 <sup>th</sup> Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	U51909MH2004PTC144065	Holding w.e.f. 08 <sup>th</sup> May, 2018	68.25	2 (46)
2	<b>Systematix Shares and Stocks (India) Limited</b> The Capital, A-wing, No. 603 – 606, 6 <sup>th</sup> Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	U65993MH1995PLC268414	Subsidiary	100	2(87)
3	<b>Systematix Commodities Services Private Limited</b> The Capital, A-wing, No. 603 – 606, 6 <sup>th</sup> Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	U01119MH1994PTC266348	Subsidiary	100	2(87)

4	<b>Systematix Fincorp India Limited</b> 126, 1 <sup>st</sup> Floor, 126, Shopping Centre, Kota - 324007, Rajasthan	U67120RJ1995PLC010601	Subsidiary	100	2(87)
5	<b>Systematix Finvest Private Limited</b> The Capital, A-wing, No. 603 – 606, 6 <sup>th</sup> Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	U65990MH1995PTC088488	Subsidiary	100	2(87)
6	<b>Systematix Ventures Private Limited</b> The Capital, A-wing, No. 603 – 606, 6 <sup>th</sup> Floor, Plot No. C-70, G Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051.	U67190MH2013PTC247782	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	
<b>A. Promoter</b>									
<b>(1) Indian</b>									
a) Individual / HUF	686406	-	686406	5.2880	686406	-	686406	5.2880	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	5483862	-	5483862	42.2477	8858862	-	8858862	68.2487	26.0010
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub - Total (A)(1):</b>	<b>6170268</b>	<b>-</b>	<b>6170268</b>	<b>47.5357</b>	<b>9545268</b>	<b>-</b>	<b>9545268</b>	<b>73.5368</b>	<b>26.0010</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub -Total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A) = (A)(1)+(A)(2):</b>	<b>6170268</b>	<b>-</b>	<b>6170268</b>	<b>47.5357</b>	<b>9545268</b>	<b>-</b>	<b>9545268</b>	<b>73.5368</b>	<b>26.0010</b>

<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds / UTI	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-Total (B)(1):</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corporate</b>	4498826	13400	4512226	34.7622	1073789	13400	1087189	8.3757	-26.3865
i) Indian									
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>	456477	486210	942687	7.2624	439319	468176	907495	6.9913	-0.2711
i) Individual Shareholders holding nominal share capital upto ₹1 Lakh									
ii) Individual Shareholders holding nominal share capital in excess of ₹1 Lakh	1190486	69500	1259986	9.7069	1277288	67300	1344588	10.3587	0.6517
<b>c) Others (specify)</b>									
i) Clearing Members	-	-	-	0.0000	100	-	100	0.0007	0.0007
ii) Hindu Undivided Families	93491	-	93491	0.7202	93848	-	93848	0.7230	0.0027
iii) NRI	1600	-	1600	0.0123	1770	-	1770	0.0136	0.0013
<b>Sub-Total (B)(2):</b>	<b>6240880</b>	<b>569110</b>	<b>6809990</b>	<b>52.4642</b>	<b>2886114</b>	<b>548876</b>	<b>3434990</b>	<b>26.4631</b>	<b>-26.0010</b>



Total Public Shareholding (B)=(B)(1)+(B)(2)	6240880	569110	6809990	52.4642	2886114	548876	3434990	26.4631	-26.0010
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	12411148	569110	12980258	100.00	12431382	548876	12980258	100.00	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	5483862	42.2477	-	8858862	68.2487	-	26.0010
2	Radhey Shyam Khandelwal	322437	2.4840	-	322437	2.4840	-	-
3	Chandra Prakash Khandelwal	213215	1.6426	-	213215	1.6426	-	-
4	Anju Khandelwal	50803	0.3913	-	50803	0.3913	-	-
5	Nikhil Khandelwal	93455	0.7199	-	93455	0.7199	-	-
6	Chandra Prakash Khandelwal HUF	6496	0.0500	-	6496	0.0500	-	-
	<b>Total</b>	6170268	47.5355	-	9545268	73.5365	-	26.0010

## 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 Pvt. Ltd.				
At the beginning of the year	5483862	42.2477	5483862	42.2477
Purchased on 08.05.2018	3375000	26.0010	8858862	68.2487
At the end of the year	8858862	68.2487	8858862	68.2487

There is no change in the shareholding of the other promoters except Superstar Exports Pvt. Ltd.

## 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	10.3627	1345116	10.3627
	Sale on 20.04.2018	-1345116	10.3627	-	-

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

	Shareholding at the end	-	-	-	-
2	Chiraayush Stock Consultants Pvt. Ltd.	1138186	8.7685	1138186	8.7685
	Sale on 20.04.2018	-1138186	-8.7685	-	-
	Purchase on 20.04.2018	1138186	8.7685	1138186	8.7685
	Sale on 08.05.2018	-1107567	8.5327	30619	0.2358
	Shareholding at the end	30619	0.2358	30619	0.2358
3	Shashikant Jain	1101360	8.4847	1101360	8.4847
	Shareholding at the end	No changes during the year		1101360	8.4847
4	Shri Ram Stockmart Pvt. Ltd.	985000	7.5884	985000	7.5884
	Sale on 13.04.2018	-985000	-7.5884	-	-
	Purchase on 13.04.2018	985000	7.5884	985000	7.5884
	Sale on 08.05.2018	-958502	7.3843	26498	0.2041
	Sale on 01.06.2018	-13000	0.1001	13498	0.1039
	Shareholding at the end	13498	0.1039	13498	0.1039
5	Excel Money Management Services Pvt Ltd	499378	3.8472	499378	3.8472
	Shareholding at the end	No changes during the year		499378	3.8472
6	Findeal Investments Pvt Limited	470585	3.6253	470585	3.6253
	Shareholding at the end	No changes during the year		470585	3.6253
7	Govind Agrawal	58200	0.4483	58200	0.4483
	Sale on 15.06.2018	-200	0.0015	58000	0.4468
	Sale on 29.06.2018	-500	0.0038	57500	0.4429
	Sale on 31.12.2018	-600	0.0046	56900	0.4383
	Shareholding at the end	56900	0.4383	56900	0.4383
8	Kamlesh I Jain Kamleshji	45200	0.3482	45200	0.3482
	Shareholding at the end	No changes during the year		45200	0.3482
9	Ruchin Agrawal	41500	0.3197	41500	0.3197
	Sale on 21.09.2018	-1000	0.0077	40500	0.3120
	Sale on 19.10.2018	-943	0.0072	39557	0.3047
	Sale on 09.11.2018	-5	0.0000	39552	0.3047
	Sale on 16.11.2018	-327	0.0025	39225	0.3021
	Sale on 30.11.2018	-351	0.0027	38774	0.2994
	Sale on 04.01.2019	-100	0.0007	38774	0.2987
	Shareholding at the end	38774	0.2987	38774	0.2987
10	Shashikant Jain (HUF)	38455	0.2962	38455	0.2962
	Shareholding at the end	No changes during the year		38455	0.2962
11	Madhukar C. Sheth	-	-	-	-
	Purchase on 31.08.2018	52165	0.4018	52165	0.4018
	Purchase on 07.09.2018	702	0.0054	52867	0.4072

	Purchase on 14.09.2018	1000	0.0077	53867	0.4149
	Shareholding at the end	53867	0.4149	53867	0.4149
12	Sanjay Chandel	-	-	-	-
	Purchase on 25.05.2018	10000	0.0770	10000	0.0770
	Purchase on 01.06.2018	6491	0.0500	16491	0.1270
	Purchase on 15.06.2018	500	0.0038	16991	0.1308
	Purchase on 22.06.2018	1966	0.0151	18957	0.1460
	Purchase on 29.06.2018	1999	0.0154	20956	0.1614
	Purchase on 06.07.2018	6894	0.0531	27850	0.2145
	Purchase on 13.07.2018	4715	0.0363	32565	0.2508
	Purchase on 20.07.2018	704	0.0054	33269	0.2563
	Shareholding at the end	33269	0.2563	33269	0.2563

**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
<b>1. Mr. Chandra Prakash Khandelwal</b>				
At the beginning of the year	213215	1.6426	213215	1.6426
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	213215	1.6426	213215	1.6426
<b>2. Mrs. Anju Khandelwal</b>				
At the beginning of the year	50,803	0.3913	50,803	0.3913
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	50,803	0.3913	50,803	0.3913
<b>3. Mr. Nikhil Khandelwal</b>				
At the beginning of the year	93455	0.72	93455	0.72
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	93455	0.72	93455	0.72
<b>4. Mr. Shriram Surajmal Khandelwal</b>				
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
<b>5. Mr. Sanjay Khandelwal</b>				
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
<b>6. Mr. Rakesh Mehta</b>				
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
<b>7. Mrs. Vrunda Dhanesha (CS)</b>				
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
<b>8. Mr. Anil Bhagchandani (CFO – w.e.f. 29.05.2018)</b>				
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

**v. INDEBTEDNESS:**

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

(₹ in Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1200.00	-	-	1200.00
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1200.00</b>	-	-	<b>1200.00</b>
<b>Change in Indebtedness during the financial year</b>				
Addition	-	-	-	-
Reduction	35.14	-	-	35.14
<b>Net Change</b>	<b>(35.14)</b>	-	-	<b>(35.14)</b>
<b>Indebtedness at the end of the financial year</b>				

i) Principal Amount	1164.86	-	-	1164.86
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>1164.86</b>	-	-	<b>1164.86</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

### A. Remuneration to Managing Director, Whole - time Directors and/or Manager:

(₹ in Lakh)

SI.No.	Particulars of Remuneration	Mr. Chandra Prakash Khandelwal (MD)	Mr. Nikhil Khandelwal (MD) (w.e.f. 01.09.2018)	Total Amount
	Gross Salary	18.00	11.67	29.67
1	(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	-	-	-
	<b>Total (A)</b>	<b>18.00</b>	<b>11.67</b>	<b>29.67</b>
	Ceiling as per the Act	₹ 84.00 Lakh		

### B. Remuneration to other directors:

#### 1. Independent Director

SI. No	Particulars of Remuneration	Mr. Mahesh Solanki (till 29.05.2018)	Mr. Shriram Surajmal Khandelwal	Mr. Sanjay Khandelwal	Mr. Rakesh Mehta	Total Amount
1	Fee for attending board / committee meetings	-	1.35	1.55	1.60	4.50
2	Commission	-	-	-	-	-
3	- Others, please Specify	-	0.30	-	-	0.30
	<b>Total (B)(1)</b>	-	<b>1.65</b>	<b>1.55</b>	<b>1.60</b>	<b>4.80</b>
	Ceiling as per the Act	₹ 1.00 Lakh per meeting				

#### 2. Other Non-Executive Director

SI.No	Particulars of Remuneration	Mrs. Anju Khandelwal	Total Amount
1	Fee for attending board / committee meetings	1.20	1.20
2	Commission	-	-
3	- Others, please Specify	-	-
	<b>Total (B)(2)</b>	<b>1.20</b>	<b>1.20</b>

	Ceiling as per the Act	₹1.00 Lakh per meeting
	<b>Total (B)= (B)(1)+ (B)(2)</b>	<b>6.00</b>

**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	5.98	12.22	18.20
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-
	(b) Value of perquisites under Section 17(2) the Income Tax Act, 1961	-	-	-
	(c) Profit in lieu of salary under Section 17(3) the Income Tax Act, 1961	-	-	-
2	Stock Options	-	-	-
3	SweatEquity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify....	-	-	-
5	Others, please specify	-	-	-
	<b>Total (C)</b>	<b>5.98</b>	<b>12.22</b>	<b>18.20</b>

**VII. 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)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. Other Officers In Default</b>					
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.

**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](http://www.systematixgroup.in)

## Annexure-V

**A. 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 2018-19, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-19 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 2018-19 (₹ in Lakh)	% increase in Remuneration in the Financial Year 2018-19	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Chandra Prakash Khandelwal, Chairman & Managing Director	18	NIL	1.52
2	Mr. Nikhil Khandelwal, Managing Director	11.67	*	0.98
3	Mr. Anil Bhagchandani, CFO	12.22	**	N.A.
4	Mrs. Vrunda Dhanesha, CS	5.98	13.68%	N.A.

\* Details not given as Mr. Nikhil Khandelwal was Managing Director only for the part of financial year 2018-19.

\*\* Details not given as Mr. Anil Bhagchandani was CFO only for the part of financial year 2018-19

**Note:** No Director other than Managing Director received any remuneration other than sitting fees for the financial year 2018-2019.

- (i) The median remuneration of employees of the company during the financial year was ₹ 11.90 Lakh.
- (ii) In the financial year 2018-2019, there was an increase of 775% in the median remuneration of employees.
- (iii) There were 16 permanent employees on the roll of the Company as on March 31, 2019.
- (iv) The average percentage increase in managerial remuneration was NIL.
- (v) 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.



**B. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

Employee Name	Navin Roy Vallabhaneni
Designation	President & Head – Institutional Equities & Equity Capital Market.
Remuneration received	₹ 1,28,66,667/-
Nature of employment, whether contractual or otherwise	Contractual
Qualifications	MBA in Finances
Experience	20 years
Date of joining	05-June-2018
Age	44 years
Previous employment	Macquarie Group
Percentage of equity shares held in the company	Nil
Whether relative of any director or manager of the company and if so, name of such director or manager	No

## 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 31<sup>st</sup> March, 2019 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/-  
**Anil Bhagchandani**  
CFO

Place: Mumbai  
Date: 13.08.2019

## CORPORATE GOVERNANCE REPORT

The Directors present the Corporate Governance report of the company for the year ended 31<sup>st</sup> March, 2019.

### 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 IV 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, Non-Executive and Independent 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 31<sup>st</sup> March, 2019, 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 31<sup>st</sup> March, 2019 were as under:

Category	Name of Directors
Executive Chairman and Managing Director	Mr. Chandra Prakash Khandelwal
Executive Managing Director	Mr. Nikhil Khandelwal
Non - Executive Director	Mrs. Anju Khandelwal
Independent Non-Executive Directors	Mr. Shriram Surajmal Khandelwal Mr. Sanjay Khandelwal Mr. Rakesh Mehta

**(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.

Board Meeting held during the year.

Board Meetings held during the Year	Total Strength of the Board	No. of Directors Present
02 <sup>nd</sup> April, 2018	6	3
29 <sup>th</sup> May, 2018	5	5
31 <sup>st</sup> July, 2018	5	2
13 <sup>th</sup> August, 2018	6	6
14 <sup>th</sup> November, 2018	6	6
08 <sup>th</sup> February, 2019	6	6

**(c) Changes in Board Composition:**

During the financial year, Mr. Nikhil Khandelwal has been appointed as Additional Director with effect from 13<sup>th</sup> August, 2018 and Managing Director for a period of three years with effect from 01<sup>st</sup> September, 2018 to 31<sup>st</sup> August, 2021; Mr. Shriram Khandelwal was re-appointed as independent Director for a second term of five consecutive years with effect from 01<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2024; Mr. Rakesh Mehta was re-designated from the position of Additional Independent Director to an Independent Director for term of five consecutive years with effect from 10<sup>th</sup> March, 2018 to 09<sup>th</sup> March, 2023.

During the financial year, Mr. Mahesh Solanki has resigned from the post of Independent Director with effect from 29<sup>th</sup> May, 2018 & Mr. Anil Bhagchandani was appointed as chief Financial Officer with effect from 29<sup>th</sup> May, 2018.

**(d) Director's Attendance Record and Directorships:**

Details of Directors attended the Board Meetings during financial year 2018-19 along with their directorships in other Companies are as follows:

Name of Director	Category of Directorship	No. of Board meetings attended	Attended the last AGM	Number of directorships in other Companies	Name of the Listed Entity in which Directorship held and Category of Director	No. of Committee positions held in other Public Limited Companies	
						Chairman	Member
Mr. Chandra Prakash Khandelwal	Executive Chairman and Managing Director	6	Yes	17	Nil	2	0
Mrs. Anju Khandelwal	Non-Executive Director	6	Yes	15	Nil	0	0
Mr. Shriram Surajmal Khandelwal	Non-Executive Independent Director	4	Yes	5	Nil	0	0
Mr. Sanjay Khandelwal	Non-Executive Independent Director	4	No	4	Nil	0	2
Mr. Rakesh Mehta	Non-Executive Independent Director	5	No	4	Nil	0	0
*Mr. Nikhil Khandelwal	Executive Managing Director	3	Yes	15	Nil	0	0
**Mr. Mahesh Solanki	Non-Executive Independent Director	0	NA	NA	NA	NA	NA

\* Mr. Nikhil Khandelwal has been appointed as Additional Director with effect from 13<sup>th</sup> August, 2018 and Managing Director with effect from 01<sup>st</sup> September, 2018.

\*\* Mr. Mahesh Solanki has resigned from the post of Independent Director with effect from 29<sup>th</sup> May, 2018.

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 31<sup>st</sup> March, 2019.

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.

Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Clause 25 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With respect to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Director confirms that Independent Director fulfills the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 and are independent of the management.

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](http://www.systematixgroup.in)

Due to pre-occupation, Mr. Mahesh Solanki has resigned from the post of Independent Director with effect from 29<sup>th</sup> May, 2018.

**(f) Familiarization Programme for Independent Directors:**

The Board members are provided with the Memorandum and Articles of Association, Annual Reports, policies adopted and displayed at the website of the Company alongwith Code of Conduct.

Independent Directors have the freedom to interact with the Company's management. They are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry segments of which it is a part.

The Company has periodically conducted the familiarization programmes for all its directors including independent Directors and the same is being displayed on the website of the company at [www.systematixgroup.in](http://www.systematixgroup.in)

**(g) Board Diversity:**

Your Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board. Pursuant to SEBI Regulations, the Nomination & Remuneration Committee has formalized a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The policy is posted on the Company's website of the Company i.e. [www.systematixgroup.com](http://www.systematixgroup.com)

**(h) Code of Conduct:**

The Company has adopted Code of Conduct for Directors and Members of Senior Management of the Company which is applicable to the Board of 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](http://www.systematixgroup.in)

All Board members and senior management have confirmed compliance with the Code for the year ended 31<sup>st</sup> March, 2019.

**Code of Conduct for Insider Trading:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, 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](http://www.systematixgroup.in)

**(i) 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 31<sup>st</sup> March, 2019, is as follows:

<b>Name of Directors</b>	<b>Sitting Fees (in ₹)</b>	<b>Salaries &amp; Perquisites (in ₹)</b>	<b>Total (in ₹)</b>
Mr. Chandra Prakash Khandelwal	-	18.00	18.00
*Mr. Nikhil Khandelwal	-	11.67	11.67
Mrs. Anju Khandelwal	1.20	-	1.20
**Mr. Mahesh Solanki	-	-	-
Mr. Shriram Surajmal Khandelwal	1.35	-	1.35
Mr. Sanjay Khandelwal	1.55	-	1.55
Mr. Rakesh Mehta	1.60	-	1.60

\* Mr. Nikhil Khandelwal has been appointed as Additional Director with effect from 13<sup>th</sup> August, 2018 and Executive Managing Director with effect from 01<sup>st</sup> September, 2018.

\*\* Mr. Mahesh Solanki has resigned from the post of Independent Director with effect from 29<sup>th</sup> May, 2018.

**(j) Relationships, if any, between Directors interse:**

Mr. Nikhil Khandelwal is a son of Mrs. Anju Khandelwal and Mr. Chandra Prakash Khandelwal, Directors of the Company.

**(k) Number of Shares and convertible securities held by non-executive Directors:**

Mrs. Anju Khandelwal, Non-Executive Non-independent Director of the Company is holding 50,803 equity shares of the company amounting to 0.39%.

**(l) List of core skills/ expertise/ competencies identified by the Board of Director:**

As stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has identified the following core skills/ expertise/ competencies, required in the context of its business to function effectively.

- Management and Strategy;
- Business Leadership;
- Operational matters;
- Research and Development;
- Finance and Taxation;
- Financial Services;
- Law;
- Corporate Governance and Ethics.

**(m) Certificate from Practising Company Secretary:**

The Company has received a certificate from M/s. Kothari H. & Associates, Company Secretaries to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority and the same is part of this annual report.

**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 of 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 the roles and responsibilities as mentioned under Companies Act, 2013 and as the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 results 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 blower 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 related 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).
    - (c) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

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

#### **Meetings of the Audit Committee :**

4 (four) meetings of the Audit Committee were held during the Financial year, i.e. on 29<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018 and 08<sup>th</sup> February, 2019. Necessary quorum was present at all the meetings.

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

Sr. No.	Name of Committee Members	Category	No. of Committee Meetings attended
1	Mr. Shriram Surajmal Khandelwal	Non- Executive Independent Director	4
2	Mr. Sanjay Khandelwal	Non- Executive Independent Director	4
3	Mr. Rakesh Mehta	Non- Executive Independent Director	4

**Note:** Mr. Shriram Surajmal Khandelwal, Chairman of the Audit Committee, was present at the previous Annual General Meeting held on 28<sup>th</sup> September, 2018.

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.

#### **Statutory Auditors**

The details of total fees for all services paid by the company to M/s. S. Jawahar & Associates, Statutory Auditor of the Company are as follows:

Type of Service	Amount in Rs.
Statutory Audit	1,25,000/ -
Tax Audit	25,000/ -
Total	1,50,000/ -

**(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.
- Stakeholders Relationship Committee members shall be appraised on any request from shareholders asking for annual report or any investor grievance.
- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants /annual reports/statutory notices by the shareholders of the company."

**Meetings of the Stakeholders Relationship Committee :**

4 (four) meetings of the Stakeholders Relationship Committee were held during the year ended 31<sup>st</sup> March, 2019, i.e. on 29<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018 and 08<sup>th</sup> February, 2019. Necessary quorum was present at all the meetings.

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

Sr. No.	Name of Committee Members	Category	No. of Committee Meetings attended
1	Mrs. Anju Khandelwal	Non -Executive Non - Independent Director	4
2	Mr. Sanjay Khandelwal	Non -Executive Independent Director	4
3	Mr. Rakesh Mehta	Non -Executive Independent Director	4

**Note:** Mrs. Anju Khandelwal, Chairperson of the Stakeholders Relationship Committee, was present at the previous Annual General Meeting held on 28<sup>th</sup> September, 2018.

During the year company has received 2 (two) complaints from shareholders. There were no pending letters/ complaints. The status of Shareholders' complaints received upto 31<sup>st</sup> March, 2019 is as stated below:

No. of Complaints received during the period ended 31 <sup>st</sup> March, 2019	2
No. of Complaints resolved as on 31 <sup>st</sup> March, 2019	2
No of Complaints pending as on 31 <sup>st</sup> March, 2019	-
No. of Pending share transfers as on 31 <sup>st</sup> March, 2019	-

**Name, Designation and Address of the Compliance Officer:**

Mrs. Vrunda Dhanesha

Company Secretary & Compliance Officer

**Systematix Corporate Services Limited**

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

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

Bandra (East), Mumbai – 400 051

Tel No.: +91-22-6619 8000/ 4035 8000; Fax No.: +91-22-6619 8029/ 4035 8029

E-mail: secretarial@systematixgroup.in

Web: www.systematixgroup.in

**(b) 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. The roles and responsibilities of the Nomination and Remuneration Committee, inter alia, includes the following function:

- 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.

- 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.
- Recommendation to the board on remuneration to be paid to senior management.

3 (Three) meeting of the Nomination and Remuneration Committee was held during the year ended 31<sup>st</sup> March, 2019, i.e. on 29<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018 and 08<sup>th</sup> February, 2019. Necessary quorum was present at the meeting.

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

Sr. No.	Name of Committee Members	Category	No. of committee Meetings attended
1	Mr. Shriram Surajmal Khandelwal	Non-Executive Independent Director	3
2	Mr. Sanjay Khandelwa I	Non- Executive Independent Director	3
3	Mr. Rakesh Mehta	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](http://www.systematixgroup.in)

#### **Remuneration to non-executive directors:**

The Non-Executive Directors are paid remuneration by way of sitting fees of Rs. 25,000/- for each meeting attended by them. The Non-Executive Independent Directors do not have any material pecuniary relationship or transaction with the Company. There is no fixed component and performance linked incentives to any of Directors and the Company has not entered into service contracts.

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.

#### **Performance Evaluation Criteria of Independent Directors:**

- Understanding of nature and role of independent directors' position;
- Active engagement with the Management and attentiveness to progress of decisions taken;
- Driving any function or identified initiative based on domain knowledge and experience;
- Proactive, strategic and lateral thinking.

**Declaration**

I hereby confirm that the Company has obtained from all the members of the Board and senior management personnel, affirmation that they have complied with the Code of Conduct for directors and senior managerial personnel in respect of the financial year ended 31<sup>st</sup> March, 2019.

SD/-  
Chandra Prakash Khandelwal  
Chairman & Managing Director  
DIN: 00016373  
Mumbai  
May 28, 2019

**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](http://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.

Pursuant to the notification issued by the Ministry of Corporate Affairs dated 16th February, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, the Company has adopted "IND AS" with effect from 01<sup>st</sup> April, 2019, with the comparatives for the periods ending 31<sup>st</sup> March, 2019.

**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 Obligations and Disclosure Requirements) Regulations, 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 Obligations and Disclosure Requirements) Regulations, 2015.

#### **4.6 Details of Material Subsidiary:**

The Policy for Determining 'Material' Subsidiaries is displayed on the website of the Company at [www.systematixgroup.in](http://www.systematixgroup.in)

#### **4.7 Disclosure under Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has a Policy on Prevention of Sexual Harassment of Women at Workplace. During the year under review, the Company has not received any complaints on sexual harassment.

### **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 has well explained the applicability of the code and important concepts.

An insider shall formulate a trading plan for dealing in securities of the Company and present it to the Compliance Officer for approval and trades may be carried out in accordance with such plan.

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 are 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](http://www.systematixgroup.in)

The Company has created an exclusive e-mail id [secretarial@systematixgroup.in](mailto: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](http://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 (MDA) Report forms part of the Annual Report.

The Annual Report is displayed on the Company's website [www.systematixgroup.in](http://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](mailto:secretarial@systematixgroup.in)
- For queries in respect of equity shares of the Company: [secretarial@systematixgroup.in](mailto: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	Venue
2017 -2018	28.09.2018	11.00 A.M.	206 -207, Bansi Trade Centre , 581/5, M. G. Road, Indore – 452001, Madhya Pradesh .
2016 -2017	29.09.2017	11.00 A.M.	206 -207, Bansi Trade Centre , 581/5, M. G. Road, Indore – 452001, Madhya Pradesh .
2015 -2016	30.09.2016	11.00 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 28th September, 2018:**

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

- i. Re-appointment of Mr. Shriram Surajmal Khandelwal (DIN: 06729564) as an Independent Director of the Company for second term of five consecutive years.
- ii. Approve the limits for the loans & investment by the company in terms of provisions of section 186 of Companies Act, 2013.

**(b) At the AGM held on 29th September, 2017: NIL**

**(c) At the AGM held on 30th September, 2016: 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, 27.09.2019 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	1 <sup>st</sup> April to 31 <sup>st</sup> March
Book Closure Date	21.09.2019 to 27.09.2019 (both days inclusive) for the purpose of Annual General Meeting.
Dividend Payment Date	NA
Listed on Stock Exchanges	BSE Limited (BSE) P.J. Tower, Dalal Street, Fort, Mumbai – 400 001.
Stock Code / Symbol	BSE: 526506 / SYSTMTCX

Payment of Listing Fee	The annual Listing Fees for the year 2018-2019 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 2018-19 (Tentative):

Financial Reporting for the quarter ending June 30, 2019	2 <sup>nd</sup> Week of August, 2019
Financial Reporting for the quarter ending September 30, 2019	2 <sup>nd</sup> Week of November, 2019
Financial Reporting for the quarter ending December 31, 2019	2 <sup>nd</sup> Week of February, 2020
Financial Reporting for the quarter ending March 31, 2020	4 <sup>th</sup> Week of May, 2020

### 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 Stakeholders Relationship 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 2018	40.60	25.90	11,51,670	35213.3	32972.56
May 2018	53.55	31.80	25,51,066	35993.53	34302.89
June 2018	80.00	55.00	59,06,197	35877.41	34784.68
July 2018	71.45	64.65	10,27,270	37644.59	35106.57
August 2018	69.05	60.80	52,16,281	38989.65	37128.99
September 2018	78.60	62.50	16,01,888	38934.35	35985.63
October 2018	75.00	59.75	3,84,326	36616.64	33291.58
November 2018	77.80	48.45	6,57,707	36389.22	34303.38
December 2018	56.20	50.00	81,351	36554.99	34426.29
January 2019	57.00	50.00	15,521	36701.03	35375.51
February 2019	48.90	38.00	5,45,848	37172.18	35287.16
March 2019	46.20	44.00	29,359	38748.54	35926.94

**Distribution of Shareholding as on 31<sup>st</sup> March, 2019:**

Shareholding of Nominal Value ( )	No. of shareholders	% of Total	Share Amount (in )	% of Total
10- 5,000	1,596	81.0152	30,20,650	2.3271
5,001 – 10,000	163	8.2741	13,42,200	1.0340
10,001 – 20,000	85	4.3147	12,94,790	0.9975
20,001 – 30,000	41	2.0812	10,49,360	0.8084
30,001 – 40,000	22	1.1167	8,04,180	0.6195
40,001 – 50,000	18	0.9137	8,33,440	0.6420
50,001 – 1,00,000	22	1.1167	15,12,470	1.1652
1,00,001 & Above	23	1.1675	11,99,45,490	92.4060
<b>Total</b>	<b>1970</b>	<b>100.0000</b>	<b>12,98,02,580</b>	<b>100.0000</b>

**Shareholding Pattern:**

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

**a. Pattern of shareholding as on 31<sup>st</sup> March, 2019:**

	Category	No. of Shares held	% of Shareholding
A.	Promoters		
(1)	Indian		
a)	Individual / HUF	6,86,406	5.29
b)	Central Govt.	-	-
c)	State Govt.(s)	-	-
d)	Banks / FI	-	-
e)	Any Other		
	Bodies Corporate	88,58,862	68.25
	Sub-Total (A)(1):	95,45,268	73.54
(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)	95,45,268	73.54
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	-	-
f)	Banks / FI	-	-
g)	Insurance Companies	-	-
h)	Provident Funds/ Pension Funds	-	-
i)	Others (specify)	-	-
	Sub-Total (B)(1):	-	-
(2)	Central Government/ State Government(s)/ President of India	-	-
	Sub-Total (B)(2):	-	-
(3)	Non -Institutions		
a)	Individuals	9,61,487	7.41
i)	Individual Shareholders holding nominal share capital upto 2 lakhs		
ii)	Individual Shareholders holding nominal share capital in excess of 2 lakhs	12,90,596	9.94
b)	NBFCs registered with RBI	-	-
c)	Employee Trusts	-	-
d)	Overseas Depositories (holding DRs)	-	-
e)	Others (specify)		
i)	Bodies Corporate	10,87,189	8.38
ii)	Hindu Undivided Families	93,848	0.72
iii)	NRI	1,770	0.01
	Sub-Total (B)(3):	34,34,990	26.46
	Total Public Shareholding (B)=(B)(1)+(B)(2) +(B)(3)	1,29,80,258	100.00
C.	Non Promoter -Non Public Shareholding		
(1)	Custodian/ DR Holder	-	-
(2)	Employee Benefit Trust	-	-
	Grand Total (A+B+C)	1,29,80,258	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 31<sup>st</sup> March, 2019:**

Particulars	No. of Equity Shares	% to Share Capital
NSDL	3,63,043	2.7968
CDSL	1,20,68,339	92.9745
Physical	5,48,876	4.2285
TOTAL	1,29,80,258	100.0000

**Dematerialization:****The ISIN of the Scrip is INE356B01016\**

As on 31<sup>st</sup> March, 2019, Dematerialized shares accounted for 95.77% 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](mailto:cameo@cameoindia.com)

Web: [www.cameoindia.com](http://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”, `A' Wing, 6th Floor, No. 603-606,

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

Bandra (East), Mumbai – 400 051

Tel No.: +91-22-619 8000/ 4035 8000; Fax No.: +91-22-6619 8029/ 4035 8029

E-mail: [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in)

**Contact person: Mrs. Vrunda Dhanesha, Company Secretary & Compliance Officer**

**For and on behalf of the Board of Directors**

**Sd/-**

**Chandra Prakash Khandelwal  
Chairman & Managing Director**

**DIN: 00016373**

**Date:** 13.08.2019

**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 31<sup>st</sup> March, 2019 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, 2019, 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 S. JAWAHAR & ASSOCIATES,  
Chartered Accountants**

**SD/-  
(S. JAWAHAR)  
Partner  
FRN: 06232S  
M. No. 201098**

**Place:** Mumbai  
**Date:** 13.08.2019

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,

**The Members of**  
**SYSTEMATIX CORPORATE SERVICES LIMITED**

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of SYSTEMATIX CORPORATE SERVICES LIMITED having CIN L91990MP1985PLC002969 and having registered office 206-207, Bansi Trade Centre, 581/5, M.G Road, Indore - 452001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Chandra Prakash Khandelwal	00016373	30/03/1995
2.	Nikhil Khandelwal	00016387	13/08/2018
3.	Anju Khandelwal	00474604	20/01/2003
4.	Shriram Surajmal Khandelwal	06729564	30/05/2013
5.	Sanjay Khandelwal	01592134	30/09/2014
6.	Rakesh Mehta	03203106	09/03/2018
7.	Mahesh Solanki*	00006923	20/01/2003

\* Mahesh Solanki has resigned w.e.f. 29/05/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Kothari H. & Associates**  
**Company Secretaries**

**SD/-**

**Hitesh Kothari**  
(Partner)

**Place:**Mumbai  
**Date:**13.08.2019

Membership No.:6038  
CP No.:5502

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### A. OVERVIEW OF THE GLOBAL ECONOMY:

Globally, growth softened to 3.3% in 2019, from 3.6% in 2018. The growth momentum of 2017-18 was not completely taken forward in 2018-19. Various developments in the global economy negatively affected overall growth prospects of 2018-19. The new fuel emission standards in Germany, natural disaster in Japan, trade policy uncertainty, contraction in Turkey, crisis in Italy and concerns about China's outlook weighed down on growth prospects. Global trade war concerns between US and China made the global markets volatile. Any agreement on the same will be a welcome move, going ahead. From a global perspective, until last month of FY2019, there was a continuous shift in stance by major central banks across the globe. For instance, until the end of last year, the US Fed was likely to hike rates at least twice this year. Even the European Commercial Bank remained adamant on withdrawing its stimulus program. This hawkish stance was seen to completely shift to dovish. The US Fed has now kept its rates steady and signaled that there would be no hikes for the rest of the year. The ECB, citing the sustained economic slowdown in the bloc, has announced a fresh round of stimulus in order to boost the ailing economy. These measures have seen a shift of FII flows from major economies to emerging markets.

#### **Broking Business:**

The average daily traded volumes (ADTO) for the equity markets during FY2019 stood at Rs 9.93 lakh crores, up 46% YoY from Rs 6.79 lakh crores in FY2018. The overall Cash market ADTO reported growth of 7% YoY at Rs 35,180 crores in FY2019. However, the absolute growth was affected due to decrease in delivery, which saw de-growth of 8.2% YoY to Rs 8,854 crores v/s 26% growth in FY2018. Within derivatives, futures volume rose 9.7% YoY to Rs 87,564 crores while options rose 54% YoY to Rs 8.70 lakh crores. Amongst cash market participants, retail constitutes 53% of total cash volume, institution constitutes 25% of total cash volume and prop constitutes 20%. Within institution, DII cash volumes increased 6% YoY to Rs 3,627 crores v/s. 51% in the previous year, reflecting the lull market sentiments during the year. The proportion of DII in the cash market remained constant at 10.4%. The increase in demat accounts during the year stood at 12% with total number of accounts as on March 2019 at R 3.59 crores. The revival in market sentiments along with clearer picture on political front is expected to give push to the primary market activities and overall volumes.

#### **Merchant Banking:**

The year witnessed a lull period for IPO/ECM deals owing to the lack of confidence in the emerging markets. Out of 13 IPOs launched in FY2019, 9 IPOs were those where the DRHP had been filed in FY2018. The year saw only 21 ECM deal closures, compared to the 50-75 deal closures in the previous 2 years. The amount of funds raised through IPOs in FY2019 was ~Rs 14,300 crores vs ~Rs 81,000 crores in FY2018. The top four IPOs in terms of issue size were HDFC AMC, Varroc Engineering, Aavas Financiers and Chalet Hotels. The number of QIPs also remained muted at 12 in FY2019 from 52 in FY2018. The amount of funds raised through QIPs in FY2019 was Rs 10,375 crores, vs Rs 62,314 crores in the previous year. The sluggishness was extended to M&A activities too.

#### **Asset Management:**

Overall mutual fund industry AUM grew 11.4% YoY and reached high of Rs 23.79 lakh crores in FY2019. On the front of equity mutual fund (excluding arbitrage and including balanced), AUM stood at Rs 10.2 lakh crores contributing 43% of the total AUM. Despite higher gross flows, the net inflows stood lower at Rs 1.2 lakh crore vs Rs 2.6 lakh crores in FY2018. The total flows were impacted due to higher redemptions with net outflows in Q2FY2019. . The highlight of FY2019 includes rising SIP



accounts and flows. The total SIP accounts stood at 2.6 crores while the SIP contribution increased 38% from Rs 67,190 crores in FY2018 to Rs 92,693 crores in FY2019. Also, the rising participation from retail and HNI segment remains encouraging. The HNI and retail equity folios increased 21% YoY and 15% YoY, respectively (HNIs is defined as individuals who invest Rs 5 lakhs and above) and stood at 47 lakh and 7.7 crores, respectively. During the year, the asset management companies were exposed to various regulatory changes like ban on upfront fees, change in direct TERs for MF (from October 23, 2018), and slab wise TER changes (from April 1, 2019). The rationale behind the regulatory change is to increase participation in mutual funds which bodes well for the industry in the long term.

### **Wealth Management:**

As per latest Karvy Wealth Report, India's individual wealth stands at Rs 392 lakh crores as of FY2018 which has grown at 14% on YoY basis. More-over the proportion of financial assets in the total wealth has grown to 60% in FY2018 from 58% in FY2017. The financial assets grew at 17% YoY to R 236 lakh crores. The mix of financial assets was more inclined towards equity and equity products. The increase in direct equity proportion from ~19% to ~21% and proportionate decrease in traditional fixed income products like fixed deposits and insurance stands out to be a highlighted fact. However, the composition of equities in overall assets is still very less in India, as compared to the world. As per the IIFL Wealth Management Wealth Index 2018, India is home to more than 3 lakh wealthy individuals with a combined net worth of more than R 95 trillion. It is also estimated that India's wealthy population will grow at a CAGR of 13.3% over next 3 years. The estimated growth rate is far more than global average of ~3% which portrays the growth potential for wealth management industry in India.

## **B. INDIAN ECONOMY:**

The fiscal year of 2019 marked the completion of NDA government's 5 year term, with the nationwide election results favoring majority for NDA government. The government's thrust was more on digital initiatives and financial inclusion on the forefront. Despite global headwinds, the Indian economy continues to maintain its fast growth trajectory, emerging as the fastest growing major economy in the world. The Indian economy registered a growth rate of 6.8% in 2018-19, one of the lowest GDP growth rates in the last 5 years. Slowing consumption, subdued investment, rural distress and the NBFC crisis were the major issues that the economy faced during the year under review. Rural distress and slowing consumption negatively affected the growth prospects of sectors like FMCG and automobiles. With a view to revive the slowing down in the economy, the Reserve Bank of India (RBI) cut interest rate three times in a row. A stable government at the centre and various measures taken by the central bank has been renewing a sense of optimism in the economy. At the domestic level, rupee faced volatility due to tightening of US rates and hovering crude oil prices. This was followed by the default of IL&FS which had a ripple effect on NBFCs and mid-caps, contributing to liquidity issues. The central bank and the government were prompt enough to stabilize the panic selling in the credit markets with open market operation (OMO). RBI during the year, hiked the policy rates by 50 bps followed by a rate cut of 25 bps in February. RBI has announced its second rate cut of FY2020 to the tune of 25 bps with a view to strengthen domestic growth impulses by spurring investments that remained sluggish. The nature of FY2019 remained volatile and challenging for the overall markets with various macro-level headwinds like NBFC liquidity crisis, uncertainties at the political platform and cross-border tensions. As a result, the overall sentiment weighed heavily on the activities at capital market levels. However, the alleviation of the issues resulted in a pick-up of activity in the last leg of FY2019. Going forward, the fruition of long-term benefits of GST and demonetization, smoothening of liquidity issues in conjunction with political stability will bring the sweet spot back for the markets. Although, IMF has softened the

growth rate to 7.3% for FY20 from 7.5% citing weaker global outlook, it continues to maintain the fastest growing status for India.

### C. EQUITY AND DEBT MARKETS FY2019:

India has the highest growth among G-20 countries, by 2020 it is projected to stand tall at USD 4.6 trillion assuming a growth of 3.4 times. The country will contribute 12.2% to global economic growth by 2020. The equity markets in FY2019 were exposed macro-events like NBFC liquidity crisis, mid-cap rally reversal, cross-border tensions coupled with political uncertainty. However, the revival in FII sentiments in last leg of the year paved the way for double digit positive benchmark returns. The indices witnessed a sharp fall in Q2 FY2019 post the default of IL&FS and consequent liquidity issues in the system. This was later coupled with cross-border tensions and political uncertainty before elections. In India, since H2FY19, the economy has been on a weak footing, led by credit crisis which resulted in slowdown in consumption and exports. The slowdown is now reflected in lower capex activity. Tight liquidity conditions, fiscal pressure, corporate rating downgrades and lower growth outlook (hit 5 year low of 6.8% in FY19) has further reduced investors' confidence in equity markets. Lenders in the financial sector have become risk-averse and are unable or unwilling to lend to lower-rated corporates. Factors such as weak growth and high real rates has prolonged the deleveraging process, making the corporate risk-averse. Since the credit crisis, India's investment rate has also registered a broad-based decline. Despite this, the Indian capital markets emerged as one of the best-performing markets in the world. The Nifty and Sensex rose 14.9 per cent and 17.3 per cent, respectively, during the year. The performance surpassed that of developed economies such as the US and the UK, as well as of developing economies such as China and Brazil. This positive performance by Indian indices helped the market capitalisation, rising by over 6 per cent annually.

### D. KEY HIGHLIGHTS DURING THE YEAR:

- Funds raised through equity and debt increased by 5.3 per cent nearly to Rs 9 lac crore;
- Equity-oriented mutual funds received positive net inflows throughout the year, reaching Rs 1.58 lac crore, while debt-oriented mutual funds saw net outflow owing to the NBFC crisis;
- Domestic institutional investors (DIIs), including mutual funds and insurance firms, were net buyers of Rs 72,109 crore of shares, while FIIs contributed USD 162.29 million to the Indian equity market;
- In 2018, the number of IPOs issued dropped to 24, garnering Rs 30,959.07 crore, while in 2017, 36 IPOs were issued raising Rs 67,147.44 crore.

India's government debt markets have endured a lukewarm start to the fiscal year. The central bank's accommodative policy (50bps cut in 2019) has not meaningfully lowered yields. Concerns over non-bank finance companies are also spilling over into the credit space. Non-banks face an overhang of rating downgrades, higher cost of borrowings and narrower pool of funding channels. While authorities have largely focused on fixing the liquidity needs in the last two quarters, From a net seller in FY18, the RBI stepped up bond purchases in FY19, providing much-required support for the bond markets. We expect this to persist in FY20 with net buys to rise to ~INR1.5-1.8trn. Any shortfall in banks' purchases through the course of the year is likely to see the central bank pick the slack as was the case in FY19. As part of the Monetary Policy Framework, the government has mandated the RBI to keep retail inflation at 4%, within a band of 2 percentage points. Nirmala Sitharaman has become the first Indian finance minister to agree to borrow in foreign currency to finance the fiscal deficit. After she announced this in her maiden Budget speech, economic affairs secretary Subhash Garg added that the plan is to raise up to 10-15% of government borrowing — \$10 billion — from the first overseas sovereign bond. In all, central government plans to borrow a record Rs7.1 lakh crore this year.

**E. OUTLOOK FOR FY2020:**

As per the World Economic Outlook Report - April 2019, world economic growth is expected to further decelerate to 3.3% in 2019, before recovering again to 3.6% in 2020. Negative effects of tariff increases enacted in US and China will be the primary reason for slow output. The growth rates for the emerging market and developing economies are also likely to witness a slowdown in FY20, further impacting output. In the emerging market and the developing economies, growth came in at 4.5% in 2018, as activity of commodity exporters continued to recover. Emerging markets' growth is expected to slowdown to 4.4% in 2019, and pick up pace in 2020 to 4.8%. Slowing external demand, rising borrowing costs, and persistent policy uncertainties are the primary reasons for slowing growth. China's economy is expected to get impacted by US trade tensions and the much-needed financial regulatory tightening. India's economic growth is expected to pick up in 2019, benefiting from lower oil prices and a slower pace of monetary tightening, as inflation pressures ease. International Monetary Fund (IMF) has projected growth to pick up to 7.3% in 2019-20 and 7.5% in 2020-21, supported by the continued implementation of structural reforms, easing of infrastructure bottlenecks and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy. Direct cash transfer program for farmers and tax relief measures for middle-class were announced in the Interim Budget 2019-20 to give a boost to the economy. Capital infusions to public sector banks and the application of Prompt Corrective Action (PCA) framework have contributed to the improvement in asset quality. India witnessed a 23-notch jump to a record 77th position in the World Bank's 2019 report on the ease of doing business. As per PWC reports, India is likely to emerge as the fifth-largest economy in the world amid Britain's potential exit from the European Union. India's low government external debt GDP ratio, strong balance of payments and fairly stable exchange rate will augur well for long-term foreign borrowing, according to a State Bank of India research report. Going by the international evidence, India is best placed to tap the sovereign bond market now, it added. The Indian government bond market is perhaps the best looking place for investors right now. The value of their holdings has risen sharply as yields have dropped more than 50 basis points so far this month. Notwithstanding the stellar run, no one expects this exuberance to evaporate anytime soon. Policy rates are headed lower as inflation is expected to be within the monetary policy target. Foreign investors put in \$2.5 billion into Indian bonds in 2019 They were second to only mutual funds in being the biggest buyers of government bonds. With corporate bonds seeming increasingly risk, mutual funds increased the safety net of their funds by buying government bonds. The cocktail of expectations from policy rate cuts to more liquidity infusion is enough to keep bond traders buying. With a large portion of Indian household savings being redirected towards equity/SIP, the environment augurs well for our industry as well as for our business. Systematix is well-positioned with its team, experience and products, to grow exponentially across various verticals of institutional and non-institutional broking, investment banking, asset management and wealth management.

**F. INDUSTRY STRUCTURE AND DEVELOPMENTS:**

India is witnessing a rapid growth in personal wealth, with the country's ultra HNI population growing by 24% in 2013-18 and is expected to witness 39% growth over 2018-23. The Mutual Fund industry added over 1.11 crore new folios in 2018-19, taking the total to an all-time high of 8.24 crore at the end of March 2019. The total amount of Initial Public Offerings declined 81% nearing to Rs 16,294 crore for 2018-19. Trading turnover at NSE from the capital market (CM) segment was Rs 79490 Bn with a market capitalization of Rs 1740837.65 Bn in 2018-19. The assets managed by the mutual fund industry in India grew 8.25% to Rs 24.58 trillion in 2018-19. Investors have committed about Rs. 92,693 crore through SIPs, registering 38% increase over the previous financial year. SIP accounts grew by 51 lakh to 2.62 crore from 2.11 crore in March 2018. AMFI data shows that the MF industry added about 9.13 lakhs SIP accounts each month on an average during 2018-19, with an average SIP size of about Rs 3,070 per SIP account. Net inflows into equity funds, which also

include equity linked saving schemes (ELSS), were Rs 111,423 crore in 2018-19 as against Rs 171,069 crore in the previous fiscal as the equity markets were highly volatile. Indian asset management industry is among the fastest growing in the world with 44 Asset Management Companies operating in the country.

## **G. OPPORTUNITIES/ THREATS/ STRENGTHS:**

### **Opportunities:**

- Long-term economic outlook positive, will lead to opportunity for financial 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.

### **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.

## **H. OUTLOOK:**

Despite several challenges during the year, our company withstood the volatility with some market-driven impacts and continued to march towards achieving linearity in the business. We continue to remain optimistic on the growth potential of all our business verticals given the robust fundamental structure and revival in macro-conditions. We have been investing in manpower, technology and processes to strengthen our distribution capabilities. We are also gradually improvising our capabilities in distribution of financial products with the help of cutting edge technologies. In addition to this, we are also strengthening our research capability which is enabling us in offering quality advice to investors and enable them to build their wealth. Lastly, we are grateful to all our shareholders and customers who have reposed and validated their trust in us. As we move ahead, we will continue to focus on promoting our products and services and enhance the Company's mindshare among investors and potential investors.

## **I. RISKS AND CONCERNS:**

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

**J. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY:**

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.

**K. SYSTEMATIX OVERVIEW:**

Systematix Corporate Services Limited (SCSL) has come a long way since its incorporation more than three decades ago. The Company is a SEBI registered 'Category I' Merchant Banker and consists of 5 subsidiaries. Your Company's operations are organized around four broad business lines – Public Issues/ Follow on Offerings / 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 five subsidiaries, your Company has established its presence in the Wealth Management, Institutional & HNI / UHNI Broking, Commodities and Loan Against Shares (through RBI registered NBFC). Systematix Corporate Services Ltd. through its associates has also set up a SEBI approved Venture Capital Fund through the trust route and Systematix Assets Management Co. Pvt. Ltd. is the advisor to the Fund. Your Company, through its subsidiaries, has facilities at around 491 locations via branches & franchisees, spread across 19 states and around 127 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 Services firm 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.

**L. SERVICES OFFERED:****i. Merchant Banking:**

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 up around 8.63 % to 826.91 Lakh as compared to last year of 761.24 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.

## ii. **Financing & Other Activities:**

The income from financing & other activities was ₹ 2065.50 Lakh as compared to previous year 1931.60 Lakh; increase by 6.93% over the preceding year.

The Company's product offerings include activities like financing against shares and margin funding.

## iii. **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 3148.88 Lakh as compared to 3053.12 Lakh earnings & increased by 3.14 % 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.

## iv. **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.

**v. 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.

**vi. 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.

**M. 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) – Consolidated

Particulars	FY 2018 -2019	% of Total Income	FY 2017 -2018	% of Total Income
Revenue	719.13	86.97	742.76	97.57
Income from Operation				
Other Income	107.77	13.03	18.48	2.43
Total	826.91	100.00	761.24	100.00
Expenditure	347.08	41.97	74.93	9.84
Employees Cost				
Finance Cost	107.11	12.95	18.12	2.38
Depreciation	19.34	2.34	19.26	2.53
Other Expenses	384.93	46.55	259.65	34.11
Total	858.46	103.82	371.95	48.86
Exceptional Items	-	-	-	
Profit Before Tax	(31.56)	(3.82)	389.29	51.14
Tax-current & deferred	(0.23)	(0.03)	96.49	12.68
Profit after Tax	(31.33)	(3.79)	292.80	38.46
Earning per Shares (Basic)	(0.24)		2.26	
Earning per Shares (Diluted)	(0.24)		2.26	

The revenues of the Company for the financial year under review are 826.91 Lakh as compared to 761.24 Lakh for the previous year. The Loss for the year under review is 31.33 Lakh as against the Profit of 292.80 Lakh in the previous year.

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

Particulars	FY 2018 -2019	% of Total Income	FY 2017 -2018	% of Total Income
Revenue				
Income from Operation	5,229.87	93.14	4949.55	88.70
Other Income	385.31	6.86	630.52	11.30
Total	5,615.18	100	5580.07	100.00
Expenditure				
Employees Cost	2,366.09	42.14	1458.77	26.14
Finance Cost	1,226.96	21.85	926.50	16.60
Depreciation	116.72	2.08	105.58	1.89
Other Expenses	2,105.44	37.50	2191.84	39.28
Total	5,815.21	103.56	4682.69	83.91
Exceptional Items	-		-	
Profit Before Tax	(200.03)	(3.56)	897.39	16.08
Tax- current & deferred	34.09	0.61	258.38	4.63
Profit after Tax	(234.12)	-4.17	639.01	11.45
Earning per Shares (Basic)	(1.80)		4.92	
Earning per Shares (diluted)	(1.80)		4.92	



➤ **Performance of Subsidiaries:**

**Systematix Shares and Stocks (India) Limited**

( in Lakh)

Particulars	FY 2018 -19	FY 2017-18	Growth %
Total Revenues	2,733.65	2947.13	(7.24)
EBIDT	(168.52)	271.92	(161.97)
PBT	(308.80)	155.94	(298.02)
PAT	(294.12)	107.04	(374.78)

**Systematix Fincorp India Limited**

( in Lakh)

Particulars	FY 2018 -19	FY 2017-18	Growth %
Total Revenues	962.45	1162.11	(17.18)
EBIDT	703.67	911.23	(22.78)
PBT	98.86	247.87	(60.12)
PAT	72.63	177.20	(59.01)

**Systematix Finvest Private Limited**

( in Lakh)

Particulars	FY 2018 -19	FY 2017-18	Growth %
Total Revenues	1,103.06	769.49	43.35
EBIDT	641.68	480.30	33.60
PBT	79.21	113.88	(30.44)
PAT	57.25	74.12	(22.76)

**Systematix Commodities Services Private Limited**

( in Lakh)

Particulars	FY 2018 -19	FY 2017-18	Growth %
Total Revenues	91.16	101.14	(9.87)
EBIDT	(12.27)	(9.10)	(34.07)
PBT	(18.59)	(13.14)	(41.45)
PAT	(19.41)	(14.80)	(31.15)

**Systematix Ventures Private Limited**

( in Lakh)

Particulars	FY 2018 -19	FY 2017-18	Growth %
Total Revenues	0.18	4.85	(96.35)
EBIDT	(16.61)	3.56	(566.57)
PBT	(17.88)	3.56	(601.87)
PAT	(17.88)	2.64	(776.09)

**Details of significant changes in key financial Ratios:**

Sr. No.	Particulars	31.03.2019	31.03.2018	change in %	Explanation
1	Debtors Turnover Ratio	12.76	22.13	42.34	Due to decrease in revenue from operations and increase in average Debtors, Debtors Turnover Ratio Decreases
2	Interest coverage ratio (ICR)	0.71	22.49	96.86	Due to increase in interest and increase in employee benefit expenses, Earning before interest & tax (EBIT) is decreased, thereby ICR Decreases
3	Operating Profit Margin	9.14	53.52	82.93	Due to increase in employee benefit expenses, EBIT is decreased which affected Operating Profit
4	Net Profit Margin	(3.79)	38.46	109.85	Due to increase in employee benefit expenses and finance cost, resulted in Net Loss
5	Return on Net Worth	(1.87)	17.11	110.90	Due to increase in employee benefit expenses and finance cost, resulting into negative networth.

**N. 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. There were 16 permanent employees on the roll of the Company as on March 31, 2019.

**O. 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.

**JAWAHAR & ASSOCIATES  
CHARTERED ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT**

**TO THE MEMBERS**

**SYSTEMATIX CORPORATE SERVICES LIMITED**

**Report on the Audit of Standalone Financial Statements:**

**Opinion**

1. We have audited the accompanying standalone financial statements of M/s. Systematix Corporate Services Limited ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2019, the Statement of Profit and Loss for the year, the statement of changes in equity, and the statement of Cash flows for the year then ended and notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
2. 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 Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the Loss for the year ended on that date.

**Basis of Opinion**

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

5.	Key Audit Matters	Auditor's Response
	<b>Inter corporate deposit to Subsidiary</b> During the year, the Company has granted loan to two subsidiaries, pursuant to an	We have verified the relevant records and found the interest charges are in accordance

<p>agreement with the Subsidiaries. We consider granting loan to Subsidiaries as a key audit matter as it constitutes significant percentage of loan given.</p> <p>The rate of interest charged is at par with rate charged for outsiders.</p>	<p>with company policy. Based on the above procedure and, in our opinion the managements determination is considered to be reasonable.</p>
<p><b>Investment in Subsidiary</b></p> <p>During the year the company has Invested further capital in two subsidiaries</p>	<p>We have verified the issue price and relevant compliance and found to be in order.</p>

### **Management Responsibilities for the Standalone Financial Statements**

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance, and the cash flow of the Company in accordance with the Accounting Principles generally accepted in India, including the Accounting standards specified under section 133 of the Act. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
7. In preparing the standalone financial statements, management is responsible for assessing the Company ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
8. The Board of Directors are responsible for overseeing the Company financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

9. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
  12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.
  13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
  14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on Other Legal and Regulatory Requirements**

6. 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 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 written representation received from the directors as on 31<sup>st</sup> March 2019 taken on record by the Board of directors, none of the directors is disqualified as on 31<sup>st</sup> March 2019 from being appointed as a director in terms of section 164(2) of the Act.
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197 (16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.
  - g. 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". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended: In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - i. 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, as amended, 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 were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
15. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For S Jawahar & Associates  
Chartered Accountants  
FRN NO:006232S**

**Sd/-  
S Jawahar  
Partner**

**Membership NO:201098**

**Place: Mumbai  
Date: 28.05.2019**

**“Annexure – A” to the Independent Auditor's Report of even date on the Standalone Financial Statements of M/s. 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”)**

1. We have audited the internal financial controls over financial reporting of **M/s. Systematix Corporate Services Limited** (“the Company”) as of 31<sup>st</sup> March, 2019 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**

2. 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 (“the Guidance Note”) issued by the Institute of Chartered Accountants of India. 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**

3. 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 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.
4. 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.
5. 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 standalone financial statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company 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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

8. 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**

9. In our opinion, the Company has, in all material respects, an adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2019, 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 issued by the Institute of Chartered Accountants of India.

**For S Jawahar & Associates  
Chartered Accountants  
FRN NO:006232S**

**Place:**Mumbai  
**Date:**28.05.2019

**Sd/-  
S Jawahar  
Partner  
Membership NO: 201098**



**“Annexure B” to the Independent Auditors Report**

(referred to in paragraph 15 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the standalone financial statements of the Company for the year ended 31<sup>st</sup> March, 2019.)

As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we confirm that:

- (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) The Company does not have any immovable property of freehold or leasehold land and building and hence reporting under clause (i) (c) of the Order is 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 granted loans to three Companies covered in the register maintained under section 189 of the Companies Act, 2013.
  - (a) The terms and conditions of the grant of such loan are not prejudicial to the company's interest.
  - (b) The schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.
  - (c) There are no overdue amounts.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments and Guarantee provided by the Company.
- (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 Provident fund, Income Tax, ESI , GST, Professional tax and other material statutory dues applicable to it. However there were no arrears at the end of the year. There were no undisputed amounts payable in respect of Income Tax, GST, Professional Tax, and Sales Tax, were in arrears as at 31<sup>st</sup> March 2019 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 loans or borrowing to a financial institution, bank, Government.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) The Company has not noticed any fraud by the Company or any fraud on the Company by its Officers or employees 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 complying with the provisions of the Nidhi Rules, 2014 does not arise.
- (xiii) All transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Financial

Statements, etc., 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 S Jawahar & Associates  
Chartered Accountants  
FRN NO:006232S**

**Sd/-  
S Jawahar  
Partner  
Membership NO:201098**

**Place: Mumbai  
Date: 28.05.2019**

**SYSTEMATIX CORPORATE SERVICES LTD.  
BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2019**

Particulars	Note No.	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders Funds</b>			
(a) Share Capital	2	38,05,14,080	38,05,14,080
(b) Surplus	3	24,75,15,815	25,06,48,368
<b>(2) Non- Current Liabilities</b>			
(a) Long Term Borrowings	4	11,28,33,322	11,67,55,666
<b>(3) Current Liabilities</b>			
(a) Trade Payables	5	-	-
Total outstanding dues of Micro enterprise and Small enterprise			
Total outstanding dues of creditors other than Micro enterprise and small enterprise		11,35,873	4,84,651
(b) Other Current Liabilities	6	74,12,152	59,37,607
(c) Short Term Provisions	7	9,88,037	26,33,000
<b>TOTAL</b>		<b>75,03,99,279</b>	<b>75,69,73,372</b>
<b>II. ASSETS</b>			
<b>(1) Non- Current Assets</b>			
(a) Property, Plant and Equipments			
Tangible Assets	8	64,34,137	83,67,972
(b) Non-Current Investments	9	64,91,93,056	64,16,93,057
(c) Deferred Tax Assets (Net)	10	10,10,000	9,87,000
(d) Long-Term Loans and Advances	11	8,90,131	9,62,708
<b>(2) Current assets</b>			
(a) Current Investments	12	-	2,24,035
(b) Trade Receivables	13	58,95,027	53,77,865
(c) Cash and Cash Equivalent	14	34,29,229	18,52,835
(d) Short-Term Loans and Advances	15	8,15,47,698	9,53,64,750
(e) Other Current Assets	16	20,00,001	21,43,150
<b>TOTAL</b>		<b>75,03,99,279</b>	<b>75,69,73,372</b>

Notes on Financial Statements

1 to 28

**For S Jawahar & Associates**  
FRN NO:006232S  
Chartered Accountants

Sd/-  
S Jawahar  
Partner M.NO 201098

Place: Mumbai  
Date: 28.05.2019

For &amp; on behalf of the Board of Directors

Sd/-  
C P Khandelwal  
Managing Director

Sd/-  
Anil Bhagchandani  
CFO

Sd/-  
Vrunda Dhanesha  
Company Secretary

**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

Particulars	Note No.	Year Ended 31.03.2019 ₹	Year Ended 31.03.2018 ₹
<b>I. Revenue from Operations</b>	18	7,19,13,251	7,42,76,481
<b>II. Other Income</b>	19	1,07,77,395	18,47,563
<b>Total Revenue</b>		<b><u>8,26,90,646</u></b>	<b><u>7,61,24,044</u></b>
<b>III. Expenses</b>			
Employee benefits Expenses	20	3,47,08,062	74,92,662
Finance Cost	21	1,07,11,218	18,11,850
Depreciation and Amortisation Expenses	8	19,33,835	19,25,945
Other Expenses	22	3,84,93,084	2,59,64,991
<b>Total Expenses</b>		<b><u>8,58,46,199</u></b>	<b><u>3,71,95,448</u></b>
<b>IV. Profit Before Exceptional and Extraordinary Items and Tax</b>		(31,55,554)	3,89,28,596
<b>V. Exceptional Items</b>		-	-
<b>VI. Profit Before Extraordinary Items &amp; Tax</b>		(31,55,554)	3,89,28,596
<b>VII. Extraordinary Items</b>		-	-
<b>VIII. Profit before Tax</b>		(31,55,554)	3,89,28,596
<b>IX. Tax Expenses</b>			
Current Tax	23	-	96,51,000
Deferred Tax		(23,000)	(1,21,000)
Income Tax relating to Earlier Years		-	1,18,642
		(23,000)	96,48,642
<b>X. Profit/(Loss) for the period from continuing operations</b>		(31,32,554)	2,92,79,954
<b>XI. Profit/(Loss) for the period</b>		(31,32,554)	2,92,79,954
<b>XII. Earnings Per Equity Share</b>			
1) Basic		(0.24)	2.26
2) Diluted		(0.24)	2.26

Notes on Financial Statements

1 to 28

**For S Jawahar & Associates**  
**FRN NO:006232S**  
**Chartered Accountants**

**Sd/-**  
**S Jawahar**  
**Partner M.NO 201098**

**Place: Mumbai**  
**Date: 28.05.2019**

**For & on behalf of the Board of Directors**

**Sd/-**  
**C P Khandelwal**  
**Managing Director**

**Sd/-**  
**Anil Bhagchandani**  
**CFO**

**Sd/-**  
**Vrunda Dhanesha**  
**Company Secretary**

**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

Particulars	31.03.2019 ₹	31.03.2018 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary items	(31,55,554)	3,89,28,596
Adjustments for : -		
1 Depreciation	19,33,835	19,25,945
2 Interest/Dividend Received	(1,03,18,029)	(6,17,223)
<b>Operating profit before working capital changes</b>	<b>(1,15,39,748)</b>	<b>4,02,37,318</b>
Adjustments for : -		
1 Trade and Other Current Assets	1,37,39,652	(9,87,78,274)
2 Trade and other Payables	4,80,804	(28,18,990)
<b>Cash Generated from operation</b>	<b>26,80,708</b>	<b>(6,13,59,946)</b>
Interest Paid	1,07,11,218	18,11,850
<b>Cash Flow Before extraordinary items</b>	<b>1,33,91,926</b>	<b>(5,95,48,096)</b>
Extraordinary items	-	-
<b>Net Cash from/ (Used ) in Operating activities</b>	<b>1,33,91,926</b>	<b>(5,95,48,096)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
1 Investment in Subsidiaries Company	(75,00,000)	(2,08,53,500)
2 Interest /Dividend Received	1,03,18,029	6,17,223
3 Non Convertible Redeemable Preference Shares redeemed	-	(2,00,00,000)
<b>Net Cash from/ (Used) in investing activities</b>	<b>28,18,030</b>	<b>(4,02,36,277)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
1 Proceeds from Long and Short Term Borrowings	(39,22,344)	10,30,32,773
2 Interest Paid	(1,07,11,218)	(18,11,850)
<b>Net Cash from financing activities</b>	<b>(1,46,33,562)</b>	<b>10,12,20,923</b>
<b>Net increase in Cash and Cash equivalents (A+B+C)</b>	<b>15,76,394</b>	<b>14,36,551</b>
Cash and Cash equivalents as (Opening Balance)	18,52,835	4,16,284
Cash and Cash equivalents as (Closing Balance)	34,29,229	18,52,835

For S Jawahar & Associates  
FRN NO:006232S  
Chartered Accountants

Sd/-  
S Jawahar  
Partner M.NO 201098

Place:Mumbai  
Date:28.05.2019

For & on behalf of the Board of Directors

Sd/-  
C P Khandelwal  
Managing Director

Sd/-  
Anil Bhagchandani  
CFO

Sd/-  
Vrunda Dhanesha  
Company Secretary

**SYSTEMATIX CORPORATE SERVICES LIMITED****(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 Section 133 of the Companies Act, 2013.

**B) Property, Plant and Equipment**

Property, plant and equipment are tangible items that:

- (a) Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (b) Are expected to be used during more than a period of twelve months.

Property, plant and equipment are stated at historical cost after deducting any accumulated depreciation and accumulated impairment losses.

Cost of property, plant and equipment comprises:

- (a) Its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- (b) Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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.

The estimated useful lives and residual values are reviewed at the end of each reporting period and changes, if any, are treated as changes in accounting estimates.

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

**C) Investments**

Long Term Investments are valued at cost. Any diminution in the value of Long term Investments is charged to Profit and Loss Statement Account, 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 Work Completed and billed on Customers.

#### **F) Employee Benefits**

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

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

#### **G) Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961. Deferred tax is recognized, on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one more subsequent period. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is reasonable 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 closing 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 LIMITED

Particulars	As at 31.03.2019 ₹		As at 31.03.2018 ₹	
	<b>(2) Share Capital</b>			
<b>a) Authorized:</b>	Par Valure		Par Valure	
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	30,00,00,000	10	30,00,00,000
<b>b) Issued :</b>				
<b>b.1 Equity Shares</b>				
1,31,22,558 Equity Shares (Previous year 1,31,22,558)	10	13,12,25,580	10	13,12,25,580
<b>b.2 Preference Shares</b>				
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
<b>c) Subscribed and fully paid up</b>				
1 29 80 258 Equity Shares (Previous Year 1 29 80 258)	10	12,98,02,580	10	12,98,02,580
2 50 00 000 Non Convertible Redeemable Preference Shares (Previous Year 2 50 00 000)	10	25,00,00,000	10	25,00,00,000
<b>d) Share Forfeiture Account</b>		7,11,500		7,11,500
142300 Equity Shares @ Rs.5/- (Previous Year: 142300 Equity Shares)				
<b>Total</b>		<b>38,05,14,080</b>		<b>38,05,14,080</b>

**f) Reconciliation of Shares outstanding at the beginning and at the end of the Year**

<b>f.1 Equity Shares</b>	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**

<b>i. Non Convertible Redeemable Preference Shares</b>	No	Value	No	Value
Shares outstanding at the beginning of the year	2,50,00,000	25,00,00,000	2,70,00,000	27,00,00,000
Less: Redeemed during the year	-	-	20,00,000	2,00,00,000
Shares outstanding at the end of the year	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000

**g) Rights, Preferences and Restrictions attached to 0 % Non-Convertible Redeemable Preference Shares (NCRPS) allotted on 30.03.2015**

(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	88,58,862	68.25%	54,83,862	42.25%
Shashikant Jain	11,01,360	8.48%	-	-
Satyamitra Stock Consultants Pvt Ltd	-	-	13,54,624	10.43%
Chiraayush Stock Consultants Pvt Ltd	-	-	11,43,969	8.81%
Shriram Stockmart Pvt Ltd	-	-	9,85,672	7.59%

**Preference Shares**

Superstar Exports Private Limited	2,50,00,000	100%	2,50,00,000	100.00%
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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 LIMITED

Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>3) Surplus</b>		
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 ie balance in Statement of Profit & Loss		
Opening Balance	3,68,36,092	75,56,137
Add: Profit /(Loss) for the year	<u>(31,32,554)</u>	<u>2,92,79,954</u>
Closing Balance	3,37,03,538	3,68,36,091
<b>Total</b>	<b><u>24,75,15,815</u></b>	<b><u>25,06,48,368</u></b>
<b>4) Long Term Borrowings</b>		
<b>Secured</b>		
<b>Term Loan -From Bank</b>		
Loan from Yes Bank (Term loans including current maturities are secured by mortgage of property belonging to a company in which director is interested)	11,28,33,322	11,67,55,666
<b>Total</b>	<b><u>11,28,33,322</u></b>	<b><u>11,67,55,666</u></b>
<b>5) Trade Payables</b>		
<b>The disclosure requirements,as required under Micro, Small and Medium Enterprises development Act, 2006 is as follows:</b>		
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year	-	-
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006,along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year:	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-
<b>6) Other Current Liabilities</b>		
Current maturity of long term debt	36,52,344	32,44,334
Others-Tax Deducted at Source and GST Payable	35,86,108	25,86,357
Advance from Customers	1,73,700	1,06,916
<b>Total</b>	<b><u>74,12,152</u></b>	<b><u>59,37,607</u></b>
<b>7) Short Term Provisions</b>		
Provision for Employee Benefits	8,09,907	7,84,400
Provision for Taxation (Net of Advance Tax)	1,78,130	18,48,600
<b>Total</b>	<b><u>9,88,037</u></b>	<b><u>26,33,000</u></b>

SYSTEMATIX CORPORATE SERVICES LTD.

8) Tangible Assets

Description	Gross Block			Depreciation				Net Block			
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	As at 01.04.2018	For the Period	Depreciation to be adjusted from retained earnings	On assets whose useful life is NIL	Withdrawn	As at 31.03.2019	As at 31.03.2018
	(Amount in )										
Plant & Equipments	42,33,008	-	-	42,33,008	41,45,855	-	-	-	-	41,45,855	87,153
Furniture & Fixtures	2,25,84,629	-	-	2,25,84,629	1,48,91,998	17,72,823	-	-	-	1,66,64,821	59,19,808
Vehicle	7,24,774	-	-	7,24,774	6,88,534	-	-	-	-	6,88,534	36,240
Office Equipments	40,17,470	-	-	40,17,470	34,65,522	1,61,012	-	-	-	36,26,534	3,90,936
<b>Total</b>	<b>3,15,59,881</b>	<b>-</b>	<b>-</b>	<b>3,15,59,881</b>	<b>2,31,91,909</b>	<b>19,33,835</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,51,25,744</b>	<b>64,34,137</b>
<b>Previous Year</b>	<b>3,15,59,881</b>	<b>-</b>	<b>-</b>	<b>3,15,59,881</b>	<b>2,12,65,965</b>	<b>19,25,945</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,31,91,909</b>	<b>83,67,972</b>
											<b>1,02,93,916</b>

## SYSTEMATIX CORPORATE SERVICES LIMITED

Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>9) Non Current Investments</b>		
<b>Long Term -Non Trade-Unquoted</b>	<b>No of Shares</b>	<b>No of Shares</b>
<b>Investment in Equity Instruments</b>		
<b>i) In wholly owned Subsidiary Companies</b>		
Investment in Equity Shares of Rs 10/- each fully paid up		
Systematix Fincorp India Limited	16,75,845	14,27,58,450
Investment in Equity Shares of Rs 100/- each fully paid up		
Systematix Finvest Private Limited	1,87,820	11,00,99,300
Investment in Equity Shares of Rs 10/- each fully paid up		
Systematix Shares and Stocks (India) Limited	41,63,500	34,25,95,306
Investment in Equity Shares of Rs 100 /- each fully paid up		
Systematix Commodities Services Private Limited (Previous Year 30000 Shares)	80,000	3,03,86,500
Investment in Equity Shares of Rs 10/- each fully paid up		
Systematix Ventures Private Limited (Previous Year 50000 Shares)	3,00,000	33,53,500
<b>Investment in debenture</b>		
Investment in 10% Debenture of Skittish Realtors Private Limited	2,00,00,000	2,00,00,000
<b>Total</b>	<b>64,91,93,056</b>	<b>64,16,93,056</b>
<b>Aggregate amount of Unquoted Investments</b>	<b>64,91,93,056</b>	<b>64,16,93,056</b>
<b>10) Deferred Tax Assets (Net)</b>		
Deferred Tax Assets on account of:		
a) Depreciation	8,56,000	7,33,000
b) Provision for Gratuity	1,54,000	2,54,000
<b>Total</b>	<b>10,10,000</b>	<b>9,87,000</b>
<b>11) Long -Term Loans and Advances</b>		
<b>Unsecured Considered Good</b>		
Advance Income Tax (Net of Provisions)	-	50
Prepaid expenses	5,52,131	6,24,658
Deposits	3,38,000	3,38,000
<b>Total</b>	<b>8,90,131</b>	<b>9,62,708</b>

## SYSTEMATIX CORPORATE SERVICES LIMITED

Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>12) Current Investments</b>		
Reliance Liquid Fund-Treasury Plan Growth (Previous Year -53.231 Units )	-	2,24,035
<b>Total</b>	<b>-</b>	<b>2,24,035</b>
<b>13) Trade Receivables</b>		
Unsecured Considered Good Exceeding Six Months	40,38,010	2,30,250
Other Debts	18,57,017	51,47,615
<b>Total</b>	<b>58,95,027</b>	<b>53,77,865</b>
<b>14) Cash and Cash equivalent</b>		
Balance with Banks	34,21,652	18,22,307
Cash on Hand	7,576	30,528
<b>Total</b>	<b>34,29,228</b>	<b>18,52,835</b>
<b>15) Short -Term Loans and Advances</b>		
<b>Unsecured Considered Good</b>		
Inter Corporate loan Related party	6,62,31,885	-
Others	79,47,535	9,50,00,000
<b>Others</b>		
GST Entitlement	1,44,863	11,565
Prepaid Expenses	3,00,342	3,00,342
Advance Income Tax (Net of Provisions)	67,98,072	-
Others	1,25,000	52,843
<b>Total</b>	<b>8,15,47,697</b>	<b>9,53,64,750</b>
<b>16) Other Current Assets</b>		
Interest Receivable	20,00,001	21,43,150
<b>Total</b>	<b>20,00,001</b>	<b>21,43,150</b>
<b>17) Contingent Liabilities</b>		
Claims against the Company not acknowledged as debt	-	2,00,000
Contingent Liabilities on account of Guarantees given to Banks on behalf of Group Companies	41,90,00,000	61,50,00,000
<b>Total</b>	<b>41,90,00,000</b>	<b>61,52,00,000</b>

## SYSTEMATIX CORPORATE SERVICES LIMITED

Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>18) Revenue from Operations</b>		
Financial Advisory Services	7,19,13,251	7,42,76,481
<b>Total</b>	<b>7,19,13,251</b>	<b>7,42,76,481</b>
<b>19) Other Income</b>		
Interest Income	1,03,18,029	16,17,223
Profit from Mutual Fund	4,57,017	2,24,035
Dividend Received	-	6,202
Other Non Operating Income	2,349	103
<b>Total</b>	<b>1,07,77,395</b>	<b>18,47,563</b>
<b>20) Employee benefits Expenses</b>		
Salaries, Bonus & Allowances	3,38,76,593	73,69,636
Staff Welfare	8,31,469	1,23,026
<b>Total</b>	<b>3,47,08,062</b>	<b>74,92,662</b>
<b>21) Finance Cost</b>		
Interest on Borrowings	1,07,11,218	11,71,020
Other Borrowing Cost	-	6,40,830
<b>Total</b>	<b>1,07,11,218</b>	<b>18,11,850</b>
<b>22) Other Expenses</b>		
Rent	1,17,00,000	51,00,000
Rates & Taxes	13,54,764	6,99,235
Power & Fuel	4,72,295	2,46,722
<b>Repairs &amp; Maintenance</b>		
Building	5,05,898	3,19,970
Others	2,06,096	1,02,443
Travelling Expenses	21,58,388	22,20,721
Professional & Consultancy	1,85,31,014	1,36,15,900
Business Promotion Expenses	10,79,110	19,32,086
Auditors Remuneration*	1,50,000	1,00,000
Profit/Loss on Exchange Difference	945	8,366
Other Expenses	23,34,574	16,19,547
<b>Total</b>	<b>3,84,93,084</b>	<b>2,59,64,990</b>
<b>*Additional Information</b>		
i) Statutory Audit	1,25,000	75,000
ii) Tax Audit	25,000	25,000
<b>Total</b>	<b>1,50,000</b>	<b>1,00,000</b>
<b>23) Current Tax</b>		
Income Tax	-	96,51,000
<b>Total</b>	<b>-</b>	<b>96,51,000</b>

**24) Basic & Diluted Earnings per share:**

<b>Particulars</b>	<b>31.03.2019</b>	<b>31.03.2018</b>
Net Profit/(Loss) at tributable to equity share holders	(31 32 554)	2 92 79 956
Weighted Average of Equity shares	129 80 258 (face value of Rs.10/-each)	1 29 80 258 (face value of Rs.10/-each)
Basic Earnings Per Share	(0.24)	2.26
Net Profit/(Loss) attributable to equity share holders	(31 32 554)	29279956
Weighted Number of equity shares outstanding for Diluted EPS	129 80 258 (face value of Rs.10/-each)	1 29 80 258 (face value of Rs.10/-each)
Diluted Earnings Per share	(0.24)	2.26

**25). Related Party Transactions:****I) Names of Transacting Related Parties****A) Ultimate Holding company**

- Superstar Exports Private Limited

**B) Wholly Owned Subsidiaries**

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

**C) Presumption of Significance Influence****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
- TekPoint Properties Private Limited
- Funsign Real Estate 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
- Wonderdream Realtors Private Limited
- Systematix Distributions Services Private Limited
- Perspire Builders and Developers Private Limited
- Swaraj Apartments P Ltd
- First Lady Housing Private Limited

**Partnership Firms/LLP's**

Sterling DreamWorks Partners LLP  
 Divisha Real Estate Advisors LLP  
 Divisha Realty LLP  
 Divisha developers LLP  
 Divisha Lifestyle LLP  
 Urban Affordable Housing LLP

**Key Managerial Personnel**

Mr. C.P. Khandelwal, Mr. Nikhil Khandelwal, Mr. Anil Bhagchandani, 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
	Rs in lakhs		
Superstar Exports Private Limited	NIL	NIL	Non Convertible Preference Shares 2 50 00 000 – 100%  Equity Shares 88 58862 68.25%
Systematix Capital Services Private Limited	Opening bal Payment Received	0.01 0.01	0
Systematix Shares and Stocks (India) Limited			Asset Investment in: 41 63 000 Equity Shares 100%
	Corporate Guarantee given for BG & OD		8150
Systematix Finvest Private Limited	-	-	Asset Investment in:  1 87 820 Equity shares 100%
Systematix Finvest Private Limited	Op bal of Loan	0	
	Loan Granted	1535.30	
	Loan repaid / Interest payment	(980.92)	
	Interest Received	67.90	622.28(Dr)

Systematix Fincorp India Limited		-	Asset Investment in: 16 75 845 Equity shares 100%
Systematix Commodities Services Private Limited			Asset Investment in: 80 000 Equity Shares 100 %
	Corporate Guarantee given for Loan		900
	Opening	0	
	Loan Granted	40	
	Interest Received	0.04	40.04 (Dr)
Systematix Ventures Private Limited	Additional Investment in Equity shares	25	Asset Investment in: 300 000 Equity Shares 100 %
	Opening	0	
	Loan Granted	11.10	
	Interest Received	1.26	
	Loan/Interest Received	(12.36)	NIL
Mr. C. P. Khandelwal	Remuneration	18.00	NIL
Mr. Nikhil Khandelwal	Remuneration	11.67	NIL
Mr. Anil Bhagchandani	CFO	12.22	NIL
Ms. Vrunda Dhanesha	Company Secretary	5.98	NIL
Ms. Anju Khandelwal	Sitting Fee	1.20	NIL
Mr. Rakesh Mehta	Sitting Fee	1.60	NIL
Shri Shriram Surajmal Khandelwal	Sitting Fee	1.35	NIL
Shri Shriram Surajmal Khandelwal	Professional fees	0.30	NIL
Sanjay Khandelwal	Sitting Fee	1.55	NIL
Wonderdream Realtors Private Limited	Rent	15.00	1.25(Dr)

**26) Employee Benefits:**

The Company has adopted AS 15-Employee Benefits during the current year, corresponding previous year information does not arise

(Amount in Rs.)

General description	As on 31.03.2019	As on 31.03.2018
	Rs.	Rs.
<b>i) Changes in the Present Value Of the Obligation (PVO)-</b>		
Reconciliation of Opening and Closing Balances		
PVO as at the beginning of the Period	863459	1167254



Interest cost	65623	67448
Current service cost	164538	129415
Benefits Paid	0	0
Actuarial Loss/(Gain) on obligation	542371	(138304)
PVO as at the end of the period	1635991	863459
<b>ii) Changes in Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the Period	79059	81953
Adjustment to Opening Fair value of Plan Assets	0	0
Expected Return on Plan Assets	34600	6700
Contributions	707296	362354
Benefit Paid	0	(362354)
Actuarial gain/(loss) on plan assets	5129	(9594)
Fair Value of Plan Assets at the end of the period	826084	79059
<b>iii) Amount recognized in the Balance Sheet and Related Analysis</b>		
Present value of obligation	1635991	863459
Fair value of Plan assets	826084	79059
Difference		
Liability Recognized in the Balance Sheet	(809907)	(784400)
<b>iv) Expenses Recognized in the Profit &amp; Loss account :</b>		
Current service Cost	164538	129415
Interest Cost	65623	67448
Past Service Cost-(Vested Benefits)	0	0
Expected Return on Plan Assets	(34600)	(6700)
Net actuarial (gain)/loss recognized In the year	537242	(128710)
Expenses recognized in the statement of Profit and loss	732803	61453
<b>v) Principal Actuarial Assumption</b>		
Discount Rate	7.00%	7.60%
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	7%	8%

**27. Additional Information**

Earnings in foreign Currency

Particulars	31.03.2019	31.03.2018
Service Fees Received	6 15 825	2 57 481

Expenditure in Foreign Currency

Particulars	31.03.2019	31.03.2018
Professional fees paid	5 65 738	-

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

Vide our report of date attached

**For S Jawahar & Associates**  
**FRN NO:006232S**  
**Chartered Accountants**

**Sd/-**  
**S Jawahar**  
**Partner M.NO 201098**

**Place:Mumbai**  
**Date:28.05.2019**

**For & on behalf of the Board of Directors**

**Sd/-**  
**C P Khandelwal**  
**Managing Director**

**Sd/-**  
**Anil Bhagchandani**  
**CFO**

**Sd/-**  
**Vrunda Dhanesha**  
**Company Secretary**

**JAWAHAR & ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**INDEPENDENT AUDITOR'S REPORT**

TO THE MEMBERS

SYSTEMATIX CORPORATE SERVICES LIMITED

**Report on the Audit of Consolidated Financial Statements:**

**Opinion**

1. We have audited the accompanying Consolidated financial statements of **M/s. SYSTEMATIX CORPORATE SERVICES LIMITED** ("the Holding Company"), and its subsidiary (Collectively referred to as "the Group) which comprise the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss for the year, and the Consolidated statement of Cash flows for the year then ended and notes to the Consolidated financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated financial statements").
2. 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 Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, and other accounting principles generally accepted in India, of the Consolidated state of affairs of the Company as at March 31, 2019, the Consolidated Loss and its Consolidated cash flows for the year ended on that date.

**Basis of Opinion**

3. We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

**Key Audit Matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

5.	<b>Key Audit Matters</b>	<b>Auditor's Response</b>
	<p><b>Inter corporate deposit to Subsidiary</b></p> <p>During the year, the Group has granted loan to two subsidiaries, pursuant to an agreement with the Subsidiaries. We consider granting loan to Subsidiaries as a key audit matter as it constitutes significant percentage of loan given.</p>	<p>We have verified the relevant records and found the interest charges are in accordance with Group policy. Based on the above procedure and, in our opinion the management's determination is considered to be reasonable.</p>
	<p><b>Investment in Subsidiary</b></p> <p>During the year the Group has Invested further capital in two subsidiary</p>	<p>We have verified the issue price and relevant compliance and found to be in order.</p>

### **Management Responsibilities for the Consolidated Financial Statements**

6. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act 2013, that give a true and fair view of the consolidated financial position and consolidated financial performance and the consolidated cash flow of the Group in accordance with the Accounting Principles generally accepted in India, including the Accounting standards specified under section 133 of the Act. The respective Board of Directors of the Companies, of its subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding 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, which have been used for the purpose of preparation of the consolidated financial statement by the Directors of the Holding Company, as aforesaid.
7. In preparing the Consolidated financial statements, the respective board of directors of the companies and of its subsidiaries are responsible for assessing the ability of the Holding Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
8. The respective Board of Directors of the company and of its subsidiaries are responsible for overseeing the Company financial reporting process of its associates and jointly controlled entities.

### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

9. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(I) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the Consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
11. Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
12. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.
13. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## 15. Other Matters

We did not audit the financial statements of Five wholly owned Subsidiaries. The Financial Statements of five wholly owned subsidiaries have been audited by other auditors whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of this associates and our report of the aforesaid jointly controlled entities and associate company is solely on the reports of the other auditor.

Financial Statements/Financial information of M/s Systematix Fincorp India Limited, Systematix Finvest Private Limited, Systematix Shares and Stocks (India) Limited, Systematix Commodities Services Private Limited, Systematix Venture Private Limited the wholly owned subsidiary whose financial statements/Financial information reflect total assets of Rs 191.34 Crores as at 31st March 2019, Total Revenues of Rs 48.90 Crores and net cash flows amounting to Rs 33.77 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 above matters.

### **Report on Other Legal and Regulatory Requirements**

#### 6. 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 of the aforesaid consolidated financial statements.
- 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 and the reports of the other auditors.
- 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 books of account.
- 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 written representation received from the directors as on 31st march 2019 taken on record by the Board of directors of holding company and the reports of the statutory auditors of subsidiaries, none of the directors is disqualified as on 31st March 2019 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 Group, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Group's internal financial controls over financial reporting.
- 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, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. There were no pending litigation impacting the financial position in its financial statements.
  - ii. the Group did not have any long-term contracts, including derivative contracts; and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the holding company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Subsidiary Company and Associate incorporated in India.

#### 15. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central

Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For S Jawahar & Associates  
Chartered Accountants  
FRN NO:006232S**

**Place:**Mumbai  
**Date:**28.05.2019

**S Jawahar  
Partner  
Membership NO:201098**

**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2019**

Particulars	Note No.	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders Funds</b>			
(a) Share Capital	2	38,05,14,080	38,05,14,080
(b) Surplus	3	47,16,49,314	49,49,34,488
<b>2 Non- Current Liabilities</b>			
Long Term Borrowings	4	11,95,78,112	12,64,86,568
<b>3 Current Liabilities</b>			
(a) Short Term Borrowings	5	78,87,15,501	1,16,48,60,109
(b) Trade Payable	6	17,99,76,456	27,61,64,859
(c) Other Current Liabilities	7	4,54,32,494	3,64,43,627
(d) Short Term Provisions	8	1,17,71,483	1,14,13,924
<b>TOTAL</b>		<b>1,99,76,37,440</b>	<b>2,49,08,17,656</b>
<b>II ASSETS</b>			
<b>1 Non- Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	9	2,97,82,291	3,31,69,878
(ii) Intangible Assets	10	31,42,357	29,70,737
(b) Goodwill		3,09,45,606	3,09,45,606
(c) Non Current Investments	11	2,00,00,000	2,00,00,000
(d) Deferred Tax Assets (Net)	12	59,78,499	47,99,998
(e) Long Term Loans and Advances	13	10,10,82,273	8,53,93,776
<b>2 Currents Assets</b>			
(a) Current Investments	14	26,15,253	3,39,651
(b) Inventories	15	1,74,70,916	2,12,79,328
(c) Trade Receivables	16	9,68,57,110	16,35,32,767
(d) Cash and Cash Equivalents	17	34,11,38,129	38,04,43,202
(e) Short Term Loans and Advances	18	1,34,66,25,005	1,74,53,99,562
(f) Other Current Assets	19	20,00,001	25,43,150
<b>TOTAL</b>		<b>1,99,76,37,440</b>	<b>2,49,08,17,656</b>

1 to 35

For S Jawahar & Associates  
FRN NO:006232S  
Chartered Accountants

Sd/-  
S Jawahar  
Partner M.NO 201098

Place:Mumbai  
Date:28.05.2019

For & on behalf of the Board of Directors

Sd/-  
C P Khandelwal  
Managing Director

Sd/-  
Anil Bhagchandani  
CFO

Sd/-  
Vrunda Dhanesha  
Company Secretary



**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2019**

Particulars	Note No.	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>REVENUE</b>			
I. Revenue from Operations	21	52,29,86,750	49,49,54,984
II. Other Income	22	3,85,31,491	6,30,52,402
<b>TOTAL</b>		<b>56,15,18,240</b>	<b>55,80,07,386</b>
<b>III. EXPENSES</b>			
Employee Benefits Expenses	23	23,66,08,699	14,58,76,960
Finance Costs	24	12,26,96,105	9,26,49,739
Depreciation and Amortisation Expenses	9-10	1,16,72,251	1,05,58,464
Other Expenses	25	21,05,43,893	21,91,83,587
<b>TOTAL</b>		<b>58,15,20,949</b>	<b>46,82,68,750</b>
IV. Profit before Exceptional and Extra Ordinary Items & Tax		<b>(2,00,02,707)</b>	<b>8,97,38,637</b>
V. Exceptional Items		-	-
VI. Profit before Extraordinary Items & Tax		<b>(2,00,02,707)</b>	<b>8,97,38,637</b>
VII. Extraordinary Items		-	-
VIII. Profit before Tax (VII-VIII)		(2,00,02,707)	8,97,38,637
<b>IX. Tax Expenses</b>			
Current Tax		48,51,000	2,44,29,800
MAT Credit Entitlement		-	-
Deferred Tax		(11,78,499)	3,50,000
X. Income Tax relating to earlier year		(2,63,600)	10,58,132
XI. Profit after Tax (before adjustments for minority Interests)		<b>(2,34,11,608)</b>	<b>6,39,00,705</b>
XII. Share of (Profit) Transferred to Minority Interest		-	-
XIII. Profit for the year (after adjustment of minority Interest)		<b>(2,34,11,608)</b>	<b>6,39,00,705</b>
<b>XIV. Earnings Per Equity Share</b>			
1) Basic		(1.80)	4.92
2) Diluted		(1.80)	4.92

1 to 35

For S Jawahar & Associates  
FRN NO:006232S  
Chartered Accountants

For &amp; on behalf of the Board of Directors

Sd/-  
S Jawahar  
Partner M.NO 201098

Sd/-  
C P Khandelwal  
Managing Director

Sd/-  
Anil Bhagchandani  
CFO

Place: Mumbai  
Date: 28.05.2019

Sd/-  
Vrunda Dhanesha  
Company Secretary

**SYSTEMATIX CORPORATE SERVICES LTD.**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2019**

Particulars	Note No.	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>			
Net Profit before Tax and extra ordinary items		(2,00,02,707)	8,97,38,637
<b>Adjustments for : -</b>			
1 Depreciation		1,16,72,251	1,05,58,464
2 Interest/Dividend Received		(2,31,65,474)	(2,15,94,128)
3 Profit /Loss on Sale of Assets/MF/Shares		(25,00,379)	(2,06,76,179)
<b>Operating profit before working capital changes</b>		<b>(3,39,96,309)</b>	<b>5,80,26,793</b>
<b>Adjustments for : -</b>			
1 Trade and Other Receivables		47,12,50,080	(30,97,54,639)
2 Trade Payable		(9,02,50,877)	(4,24,00,472)
3 Long Term Loans & Advances		(1,56,88,497)	4,28,81,089
<b>Cash Generated from operation</b>		<b>33,13,14,397</b>	<b>(25,12,47,228)</b>
Interest Paid		12,26,96,105	9,26,49,739
<b>Cash Flow Before extraordinary items</b>		<b>45,40,10,502</b>	<b>(15,85,97,491)</b>
Extraordinary Items		-	
<b>Net Cash from/ (Used ) in Operating activities</b>		<b>45,40,10,502</b>	<b>(15,85,97,491)</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>			
1 Purchase of Fixed Assets		(89,66,477)	(1,81,12,590)
2 Sale of Fixed Assets		5,10,200	19,30,000
3 Interest Received		2,31,65,474	2,15,94,128
<b>Net Cash from/ (Used) in Investing Activities</b>		<b>1,47,09,197</b>	<b>54,11,538</b>
<b>C CASH FLOW FROM FINANCIANG ACTIVITIES</b>			
1 Proceeds from issue of Share Capital/Dedenture		-	
2 Repayment /Proceeds from Long and Short Term Borrowings		(38,30,53,064)	19,88,48,863
3 Interest Paid		(12,26,96,105)	(9,26,49,739)
4 Puchase of Investment		(22,75,602)	
<b>Net Cash from financiing activities</b>		<b>(50,80,24,772)</b>	<b>10,61,99,124</b>
<b>Net increase in Cash and Cash equivalents (A+B+C)</b>		<b>(3,93,05,073)</b>	<b>(4,69,86,829)</b>
Cash and Cash equivalents as (Opening Balance)		38,04,43,202	42,74,30,031
Cash and Cash equivalents as (Closing Balance)		<b>34,11,38,129</b>	<b>38,04,43,203</b>
		34,11,38,130	38,04,43,202

Vide our Report of even date

For S Jawahar & Associates  
FRN NO:006232S  
Chartered Accountants

Sd/-  
S Jawahar  
Partner M.NO 201098

Place:Mumbai  
Date:28.05.2019

For & on behalf of the Board of Directors

Sd/-  
C P Khandelwal  
Managing Director

Sd/-  
Anil Bhagchandani  
CFO

Sd/-  
Vrunda Dhanesha  
Company Secretary

**(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 Section 133 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) Property, Plant & Equipment**

Property, plant and equipment are tangible items that:

- (a) are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
- (b) are expected to be used during more than a period of twelve months.

Property, plant and equipment are stated at historical cost after deducting any accumulated depreciation and accumulated impairment losses.

Cost of property, plant and equipment comprises:

- (a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- (b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

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.

The estimated useful lives and residual values are reviewed at the end of each reporting period and changes, if any, are treated as changes in accounting estimates.

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

**D) Investments**

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

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

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

**E) 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.

**F) 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.

**G) 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.

**H) 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.

**I) 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 reasonable certainty that there will be sufficient future Taxable Income available against which such Deferred Tax Asset can be realized.

**J) 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.

**K) 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.

**L) 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
<b>A) Performing Asset</b>			
Good	Interest in unrealized for 6 months and less	On accrual basis	0.25% of Loan amount Outstanding
<b>B) Non performing Asset</b>			
Sub Standard	Interest is unrealized greater than 6 to 24 months	On receipt basis	10% of loan amount outstanding
Doubtful	Interest is unrealized for more than 24 months	On receipt basis	0 to 12Months 20% 13 to 36Months 30% More than 36 Months 50 % Unsecured Portion 100%
Loss	As asset which has been identified as Loss assets.	On receipt basis	100% of loan amount outstanding

**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31<sup>ST</sup> MARCH 2019**

		As at 31.03.2019 ₹		As at 31.03.2018 ₹
<b>2) SHARE CAPITAL</b>				
	<b>Par Value</b>			
<b>a) Authorized:</b>				
2,00,00,000 Equity Shares (Previous Year 2,00,00,000)	10	20,00,00,000		20,00,00,000
3,00,00,000 Preference Shares (Previous year 3,00,00,000)	10	30,00,00,000		30,00,00,000
<b>b) Issued</b>				
<b>b.1 Equity Shares</b>				
1 31 22 558 Equity Shares (Previous Year 1,31,22,558)	10	13,12,25,580		13,12,25,580
<b>b.2 Preference Shares</b>				
2 70 00 000 Non Convertible Redeemable Preference Shares (Previous Year 2 70 00 000)	10	27,00,00,000		27,00,00,000
<b>c) Subscribed and fully paid up</b>				
1 29 80 258 Equity Shares (Previous Year 1 29 80 258)	10	12,98,02,580		12,98,02,580
2 50 00 000 Non Convertible Redeemable Preference Shares (Previous Year 2 50 00 000)	10	25,00,00,000		25,00,00,000
<b>d) Subscribed and not fully paid up</b>				
Nil- Equity Shares	10	-		-
<b>e) Share Forfeiture Account</b>				
1 42 300 Equity Shares	5	7,11,500		7,11,500
<b>Total</b>		<b>38,05,14,080</b>		<b>38,05,14,080</b>
<b>f) Calls unpaid</b>				
By Directors		-		-
By Others		-		-
Nil-Equity Shares (Previous year 1 42 300)	10	-		-
<b>g) Reconciliation of Shares outstanding at the beginning and at the end of the Year</b>				
<b>g.1 Equity Shares</b>	<b>No</b>	<b>Value</b>	<b>No</b>	<b>Value</b>
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
<b>g.2 Preference Shares</b>				
<b>i. Non Convertible Redeemable Preference Shares</b>				
Shares outstanding at the beginning of the year	2,50,00,000	25,00,00,000	2,70,00,000	27,00,00,000
Less: Redeemed during the year	-	-	20,00,000	2,00,00,000
Shares outstanding at the end of the year	2,50,00,000	25,00,00,000	2,50,00,000	25,00,00,000
<b>h) Rights, Preferences and Restrictions attached to 0 % Non-Convertible Redeemable Preference Shares (NCRPS) allotted on 30.03.2015</b>				
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.				
<b>i) List of Shareholders holding more than 5% Equity Shares</b>				
	<b>31.03.2019</b>		<b>31.03.2018</b>	
	<b>Number of Shares</b>	<b>Percentage Holding</b>	<b>Number of Shares</b>	<b>Percentage Holding</b>
Superstar Exports Private Limited	88,58,862	68.25%	54,83,862	42.25%
Shashikant Jain	11,01,360	8.48%	-	-
Satyamitra Stock Consultants Pvt Ltd			13,54,624	10.43%
Chiraayush Stock Consultants Pvt Ltd			11,43,969	8.81%
Shriram Stockmart Pvt Ltd			9,85,672	7.59%
<b>Preference Shares</b>				
Superstar Exports Private Limited	2,50,00,000	100.00%	2,50,00,000	100.00%
j) 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 LIMITED**  
**CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31<sup>ST</sup> MARCH 2019**

	As at 31.03.2019 ₹	As at 31.03.2018 ₹
<b>3) SURPLUS</b>		
a) Capital Reserve	2,28,63,600	2,28,63,600
b) Securities Premium Reserve As per last Balance Sheet	18,65,01,920	18,65,01,920
<b>c) General Reserve</b>		
As per last Balance Sheet	3,48,19,265	3,48,19,265
Add:		
Transfer during the year		
From Preference Capital Redemption Reserve	-	-
	<u>3,48,19,265</u>	<u>3,48,19,265</u>
<b>d) Reserve Fund U/S 45 -IC of the RBI ACT,1934</b>		
Opening Balance	2,52,51,613	2,02,17,613
Add:		
Amount transferred from Surplus in Statement of Profit & Loss Statement Account	<u>26,03,000</u>	<u>50,34,000</u>
Closing Balance	2,78,54,613	2,52,51,613
<b>e) Surplus in Profit &amp; Loss Statement Account</b>		
Opening Balance	22,54,98,086	16,66,31,384
Add: Profit for the year	(2,32,85,170)	6,39,00,705
Less:		
Transferred to Reserve Fund u/s 45IC of the RBI, Act 1934	<u>26,03,000</u>	<u>50,34,000</u>
Net Surplus in Profit & Loss Statement Account	19,96,09,916	22,54,98,090
<b>Total</b>	<u><u>47,16,49,314</u></u>	<u><u>49,49,34,488</u></u>
<b>4) LONG TERM BORROWINGS</b>		
<b>Secured</b>		
Term Loan-From Banks		
Loan from Yes bank (Term loan including current maturities are secured by mortgage of property belonging to a company in which director is Interested)	11,28,33,322	11,67,55,666
Vehicle Loan (Secured by Hypothecation of Vehicle)	7,78,295	18,84,090
<b>Other Loans &amp; Advances</b>		
<b>Unsecured</b>		
Loan from Related Parties	59,66,495	78,46,812
<b>Total</b>	<u><u>11,95,78,112</u></u>	<u><u>12,64,86,568</u></u>
<b>5) SHORT TERM BORROWINGS</b>		
<b>Secured</b>		
<b>a) From Banks</b>		
Working capital Loans-Cash Credit (Secured by Hypothecation of Receivables and pledge of Fixed deposit and shares)	1,12,72,345	95,08,746
<b>b) Other Loans &amp; Advances</b>		
Loan against Shares	69,62,41,707	1,10,95,47,135
<b>Unsecured</b>		
<b>a) Other Loans &amp; Advances</b>		
Other Loans and Advances-Unsecured	8,12,01,449	4,58,04,228
<b>Total</b>	<u><u>78,87,15,501</u></u>	<u><u>1,16,48,60,109</u></u>
<b>6) TRADE PAYABLES</b>		
Services	17,99,76,456	27,61,64,859
<b>Total</b>	<u><u>17,99,76,456</u></u>	<u><u>27,61,64,859</u></u>

The disclosure requirements, as required under Micro, Small and Medium Enterprises development Act, 2006 is as follows:

-

**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31<sup>ST</sup> MARCH 2019**

	As at 31.03.2019 ₹	As at 31.03.2018 ₹
The disclosure requirements, as required under Micro, Small and Medium Enterprises development Act, 2006 is as follows:		
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year	-	-
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year:	-	-
v) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-
<b>7) OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long Term Debt	66,38,456	60,00,773
Liability for Employees	43,02,936	50,76,364
Security Deposit	1,36,85,005	1,47,57,895
Others-Tax Deducted at Source, Service Tax and Vat	2,06,30,596	1,05,01,679
Others (Advances)	1,75,500	1,06,916
<b>Total</b>	<b><u>4,54,32,494</u></b>	<b><u>3,64,43,627</u></b>
<b>8) SHORT TERM PROVISIONS</b>		
Provision for Employee Benefits	85,90,472	49,47,736
Provision for Standard Assets	30,02,879	36,15,284
Provision for Taxation (Net of Advance Tax)	1,78,131	28,50,904
<b>Total</b>	<b><u>1,17,71,483</u></b>	<b><u>1,14,13,924</u></b>



## SYSTEMATIX CORPORATE SERVICES LIMITED

## 9) Tangible Assets -

Description	Gross Block			Depreciation			Net Block		
	As At 01-04-2018	Additions	Deductions	As At 31.03.2019	For the Year	on Assets whose useful life is NIL	Up To 31.03.2019	As at 31.03.2019	As at 31.03.2018
Buildings	-	14,15,174	-	14,15,174	2,16,924	-	2,16,924	11,98,250	0
Plant & Equipments	6,84,57,778	46,88,052	2,03,500	7,29,42,330	52,83,682	-	6,81,38,468	48,03,867	54,09,667
Furniture & Fixtures	2,86,63,836	16,34,478	-	3,02,98,314	23,90,825	-	2,23,83,375	79,14,939	86,71,286
Vehicle	2,51,33,149	-	21,22,585	2,30,10,564	25,52,144	-	75,51,281	1,54,59,283	1,85,18,780
Office Equipments	40,52,946	-	-	40,52,946	1,64,195	-	36,46,994	4,05,952	5,70,147
Total (9)	12,63,07,709	77,37,704	23,26,085	13,17,19,328	1,06,07,771	-	10,19,37,044	2,97,82,291	3,31,69,878
10) Intangible Assets									
Membership in Bombay Stock Exchange	2,77,00,000	-	-	2,77,00,000	-	-	2,77,00,000	-	-
Computer Software	3,84,63,977	12,37,913	-	3,97,01,890	10,64,481	-	3,65,59,533	31,42,357	29,68,925
Total (10)	6,61,63,977	12,37,913	-	6,74,01,890	10,64,481	-	6,42,59,533	31,42,357	29,68,925
Total (9+10)	19,24,71,686	89,75,617	23,26,085	19,91,21,218	1,16,72,251	-	16,61,96,576	3,29,24,649	3,61,38,802
Previous Year	18,64,25,102	1,81,12,590	1,20,66,006	19,24,71,686	1,05,58,464	-	15,82,89,486	3,61,38,801	

**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31st March 2019**

	Consolidated As at 31.03.2019 ₹	Consolidated As at 31.03.2018 ₹
<b>11) NON CURRENT INVESTMENTS-LONG TERM</b>		
<b>UNQUOTED-LONG TERM</b>		
Investment in Optionally Convertible Debenture	2,00,00,000	2,00,00,000
2 00 000 Optionally Convertible Dedentures		
<b>Total</b>	<b>2,00,00,000</b>	<b>2,00,00,000</b>
<b>Aggregate amount of:</b>		
<b>Unquoted Investments</b>		
<b>-Cost</b>	<b>2,00,00,000</b>	<b>2,00,00,000</b>
<b>12) DEFERRED TAX ASSET (NET)</b>		
Deferred Tax Assets		
a) Depreciation	27,66,461	17,02,033
b) Others	32,12,038	30,97,965
<b>Total</b>	<b>59,78,499</b>	<b>47,99,998</b>
<b>13) LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured Considered Good</b>		
Deposits	8,31,62,000	7,01,42,000
Prepaid Expenses	11,37,212	10,55,494
Advance Income Tax (Net of provisions)	1,67,83,061	1,41,96,282
<b>Total</b>	<b>10,10,82,273</b>	<b>8,53,93,776</b>
<b>14) Current Investments</b>		
Reliance Liquid Fund-Tresry Pln Grwth Opt (LY 280.150 Units)	-	2,24,035
Birla Sun Life Cash Plus Collection Account	-	1,15,616
ABSL Liquid Funds -8750.529 units	26,15,253	
<b>Total</b>	<b>26,15,253</b>	<b>3,39,651</b>
<b>15)INVENTORIES</b>		
Stock in Trade **	1,74,70,916	2,12,79,328
<b>Total</b>	<b>1,74,70,916</b>	<b>2,12,79,328</b>
(For method of Valuation please refer Note No 1 (E))		
<b>16) TRADE RECEIVABLES</b>		
<b>Unsecured-Considered Good</b>		
Exceeding Six Months	1,80,54,684	1,49,32,361
Other Debts	7,88,02,426	14,86,00,406
<b>Unsecured-Considered Doubtful</b>		
Exceeding Six Months	7,36,187	26,37,720
Less: Provision for Doubtful Debts	7,36,187	26,37,720
<b>Total</b>	<b>9,68,57,110</b>	<b>16,35,32,767</b>
<b>17) CASH AND CASH EQUIVALENTS</b>		
<b>Cash &amp; Cash Equivalents</b>		
<b>Balance with Banks</b>		
- in Current Accounts	4,76,91,665	8,89,08,084

**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31<sup>st</sup> March 2019**

	Consolidated As at 31.03.2019 ₹	Consolidated As at 31.03.2018 ₹
<b>Other Bank Balances</b>		
- in Deposit Accounts offered as Security/Margin	29,28,06,000	29,10,70,591
Cash On hand	6,40,464	4,64,528
<b>Total</b>	<b>34,11,38,130</b>	<b>38,04,43,202</b>
* Deposit with more than 12 months Maturity	<b>57,50,000</b>	<b>1,77,50,000</b>
<b>18) SHORT TERM LOANS AND ADVANCES</b>		
<b>SECURED CONSIDERED GOOD STANDARD ASSETS</b>		
Loans Against Shares (Refer Note: )	77,06,84,421	1,10,26,90,000
<b>UNSECURED CONSIDERED GOOD STANDARD ASSETS</b>		
Loan Against Shares (Refer Note : )	37,75,54,192	34,34,23,394
Others	79,47,535	-
Others		
Deposits	14,04,19,615	27,84,27,515
Prepaid Expenses	51,16,938	40,13,239
Advances Other than Capital Advances	2,00,000	1,50,804
Advance Income Tax (Net of Provisions)	2,19,01,065	22,04,627
GST Entitlement	1,24,93,108	90,02,329
Others	1,03,08,132	54,87,654
<b>Total</b>	<b>1,34,66,25,005</b>	<b>1,74,53,99,562</b>
<b>19) Other Current Assets</b>		
Interest Receivable	20,00,001	25,43,150
<b>Total</b>	<b>20,00,001</b>	<b>25,43,150</b>
<b>20) Contingent Liabilities</b>		
a) Income tax demand contended in appeal	-	2,00,000
b) Contingent Liabilities on account of Guarantees given to banks on behalf of Group Companies	41,90,00,000	61,50,00,000
<b>Total</b>	<b>41,90,00,000</b>	<b>61,52,00,000</b>
<b>21) Revenue form Operations</b>		
Financial Advisory Services	71,913,251	74,276,481
Brokerage & Services	228,827,567	221,019,493
Interest from financing activities	202,056,521	168,506,740
Other Operating Income	20,189,410	31,152,269
<b>Total</b>	<b>522,986,750</b>	<b>494,954,984</b>
<b>22) OTHER INCOME</b>		
Interest Income	2,31,64,388	2,15,87,474
Dividend	1,086	6,654
Provision no longer required on Standard Assets	9,87,986	3,80,989
Profit on sale of shares/Mutual fund	25,00,379	2,05,68,545
Profit on sale of Fixed Assets	25	4,32,709

**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31<sup>st</sup> March 2019**

	Consolidated As at 31.03.2019 ₹	Consolidated As at 31.03.2018 ₹
Misc Income	1,17,34,186	2,00,40,519
Others Non Operating Income	1,43,442	35,512
<b>Total</b>	<b>3,85,31,491</b>	<b>6,30,52,402</b>
<b>23) EMPLOYEE BENEFIT EXPENSES</b>		
Salaries, Bonus & Allowances	23,19,04,205	14,21,76,445
Contribution to Provident Fund & Other Funds	28,62,126	11,14,300
Staff Welfare	18,42,368	25,86,215
<b>Total</b>	<b>23,66,08,699</b>	<b>14,58,76,960</b>
<b>24) FINANCE COST</b>		
Interest on Borrowings	11,91,10,610	8,80,49,617
Other Borrowing Cost	35,85,495	46,00,122
<b>Total</b>	<b>12,26,96,105</b>	<b>9,26,49,739</b>
<b>25) OTHER EXPENSES</b>		
Remisery Charges	3,34,72,401	5,04,73,792
Transaction Charges	1,33,41,622	1,57,84,908
Connectivity Expenses	85,37,527	81,27,492
Rent	4,45,56,577	3,35,54,465
Rates & Taxes	44,50,240	26,72,364
Power & Fuel	33,46,444	29,26,954
Insurance Charges	9,14,245	8,17,910
<b>Repairs &amp; Maintenance</b>		
Others	49,66,307	51,10,277
Building	35,16,364	33,46,697
Travelling & Conveyance	1,19,17,195	1,28,88,048
Membership & Subscription	1,09,37,721	90,57,931
Business Promotion Expenses	74,70,501	1,05,08,975
Professional & Consultancy	3,12,42,404	2,63,99,461
Auditors Remuneration*	12,35,920	9,06,397
Loss on MTM Holding on Shares	95,82,151	5,790
Bad Debts	23,31,024	2,10,90,530
Provision for Bad & Doubtful Debts	4,29,491	1,28,621
Provision No Longer Required	(23,31,024)	-
Other Expenses	2,06,26,781	1,53,82,975
<b>Total</b>	<b>21,05,43,893</b>	<b>21,91,83,587</b>
<b>*Additional Information</b>		
i) Statutory Audit	9,31,800	6,65,000
ii) Tax Audit	2,00,000	1,10,000
iii) Other Expenses	1,04,120	-
<b>Total</b>	<b>12,35,920</b>	<b>7,75,000</b>
<b>Other Expenses</b>		
Communication	31,96,225	33,30,028
Advertisement	1,28,631	5,08,258
Commission/Brokerage	3,01,400	3,40,400
Printing & Stationery	23,89,380	26,91,651
Provision for Standard Assets	2,43,298	7,11,803
DP Charges	25,54,919	28,51,077
Loss on account of Error Account	15,04,601	-
Penalty Charges	40,61,550	5,49,585
Other Expenses	62,46,777	44,00,173
<b>Total</b>	<b>2,06,26,781</b>	<b>1,53,82,975</b>

**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31<sup>st</sup> March 2019**

	Consolidated As at 31.03.2019 ₹	Consolidated As at 31.03.2018 ₹
<b>Other Expenses</b>		
Postage, Telephone & Internet expenses	32,496	41
Stamping Charges	34,952	72,868
Custodian Charges	5,250	82,500
Listing Fees	2,36,985	2,50,000
Loss on Sales of Fixed Assets	7,352	37,477
Loss on Sales of MF	-	1,10,871
Miscellaneous Exepenses	4,66,534	4,220
Management Charges	3,45,561	2,80,702
Pooja Expenses	79,470	76,499
Input Tax Credit Reversal Expenses	9,03,132	-
Books And Periodicals	50,753	9,152
Evoting charges	-	5,000
News Paper And Periodicals	1,58,312	98,836
Car Parking Charges	1,37,141	1,00,997
General Expenses	97,414	40,979
LIC Premium	-	-
Delivery Charges	150	
Trade License	6,205	6,205
Octroi & Transport	1,675	6,930
Labour Charges	4,250	-
Freight Expenses	-	2,200
Appeal Fee	32,230	1,000
Credit rating Expenses	40,384	29,315
Sundry Balance Written Off	3,71,118	2,963
Interest on TDS, stamp duty & Service Tax	1,39,610	30,153
Bank Charges	1,54,043	55,371
Donation	8,64,228	3,23,465
Exchange Charges	1,99,122	3,90,389
Prior Period Expenses	-	2,65,190
Sebi Charges	1,61,137	1,14,457
Auditor Expenses	28,516	1,85,771
Registration Charges	-	6,500
Exchange Rate Difference	945	13,516
Director Sitting Fees	8,60,700	5,05,000
Lodging & Boarding Expenses	932	-
Annual Fees (CIBIL)	5,453	15,000
Amc Charges	3,14,032	2,55,823
CTCL Charges	50,000	30,000
Visa charges	-	17,380
Rent Coffee machine	-	22,852
Water Charges	24,634	34,320
Shop & Establishment Expenses	-	70,809
Profession Tax Paid	2,500	2,500
Courier Charges	17,658	17,246
ROC Filing Fees	3,612	6,049
CIBIL Report Charges	2,660	1,992
Office maintenance	1,44,075	1,50,817
Annual Fees	38,697	5,000
Software Expenses	4,000	14,400
Audio Video Conference Charges	1,75,460	2,92,271
Vehicle Repair and maintainence	-	51,631
Legal Charges	4,500	79,950
Minimum usage charges	-	75,000
Swachh Bharat Cess`	-	1,26,082
Registrar Expenses	-	9,000

**SYSTEMATIX CORPORATE SERVICES LIMITED**  
**CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31<sup>st</sup> March 2019**

	Consolidated As at 31.03.2019 ₹	Consolidated As at 31.03.2018 ₹
CVL A/c opening charges	21,984	-
GST Late fees	-	700
Annual charges	5,901	10,000
Stamp Duty	10,508	2,744
KRA Charges Recd.	504	42
<b>Total</b>	<b>62,46,777</b>	<b>44,00,173</b>

**26) 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 Ventures Private Limited & Systematix Commodities Services Pvt Ltd the wholly owned subsidiary of Company
- 27)** 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.
- 28)** 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.

**29) Basic & Diluted Earnings Per Share:**

<b>Particulars</b>	<b>2018-19</b>	<b>2017-18</b>
Net Profit / (Loss) attributable to equity share holders	(2 37 79 169)	6 39 00 705
Weighted Average of Equity shares	1 29 80 258 (face value of Rs.10/-each)	1 29 80 258 (face value of Rs.10/-each)
Basic Earnings Per Share	(1.83)	4.92
Net Profit/(Loss) attributable to equity share holders	(2 37 79 169)	6 39 00 705
Add: Interest on debenture	0	0
Adjusted Net profit for Diluted EPS	0	0
Weighted Number of equity shares outstanding for Diluted EPS	1 29 80 258 (face value of Rs.10/-each)	1 29 80 258 (face value of Rs.10/- each)
Diluted Earnings Per share	(1.83)	4.92

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

**30. Related Party Transactions:****I) Names of Transacting Related Parties****A) Ultimate Holding company**

- Superstar Exports Private Limited

**B) Wholly Owned Subsidiaries**

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

**C) Presumption of Significance Influence****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
- Tekpoint Properties Private Limited
- Funsign Real Estate 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
- Wonder dream Realtors Private Limited
- Systematix Distributions Services Private Limited
- Perspire Builders and Developers Private Limited
- Swaraj Appartments P Ltd
- First Lady Housing Private Limited

**Partnership Firms/LLP's**

Sterling DreamWorks Partners LLP  
 Divisha Real Estate Advisors LLP  
 Divisha Realty LLP  
 Divisha developers LLP  
 Divisha Lifestyle LLP  
 Urban Affordable Housing LLP

**Key Managerial Personnel**

Mr. C P Khandelwal, Mr. Sunil Sarada, Mr. Nikhil Khandelwal, Ms. Priyanka Khandelwal, Mr. Anil Bhagchandani, 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
	Rs in lakhs		
Superstar Exports Private Limited			Non-Convertible Preference Shares 2 50 00 000 – 100%  Equity Shares 88 58862 68.25 %
	Opening	0	
	Loan Granted	1316.15	
	Interest	61.35	
	Loan/Interest Received	(1377.50)	NIL
Systematix Capital Services Private Limited	Opening bal	0.01	
	Payment Received	0.01	
	Opening	0	
	Loan Granted	37.09	
	Interest	0.17	
	Loan/Interest Received	(37.26)	NIL
	DP Charges	0.008	0.01
	Rent	34.60	
	Salary	21.53	
	Annual maintenance charges	2.40	
	Computer Maintenance	0.60	NIL
	Telephone Expense	0.60	
	Printing & Stationery	0.60	
	Courier & Postage	0.60	
Mr. C. P. Khandelwal	Remuneration	84.00	NIL
Mr. Nikhil Khandelwal	Remuneration	26.67	NIL
Mr. Sunil Sarada	Remuneration	49.65	NIL
Mr. Anil Bhagchandani	CFO	12.22	NIL
Ms. VrundaDhanesha	Company Secretary	5.98	NIL
Ms. Anju Khandelwal	Sitting Fee	2.00	NIL
Mr. Rakesh Mehta	Sitting Fee	2.40	NIL
Shri Shriram Surajmal Khandelwal	Sitting Fee	1.95	NIL

Shri Shriram Surajmal Khandelwal	Professional fees	0.90	NIL
Sanjay Khandelwal	Sitting Fee	1.95	NIL
Wonderdream Realtors Private Limited	Rent	15.00	1.25 (Dr)
Divisha Realty LLP	Opening	165.96	
	Loan Granted	26.18	
	Interest	25.04	
	Loan/Interest Received	(126.10)	91.08 (Dr)
Divisha developers LLP	Opening	177.70	
	Loan Granted	774.45	
	Interest	77.04	
	Loan/Interest Received	(263.04)	766.15 (Dr)
Third Wave Mercantile Company Private Limited	Rent	11.80	1.50 (Dr)
Ms. Priyanka Khandelwal	Remuneration	6.60	NIL
Ms. Priyanka Khandelwal	Sitting fees	0.10	NIL
Mr.Rahul Khandelwal	Salary	7.20	NIL
Goldflag Exports Private Limited	Rentpaid	8.40	Security deposit 225.00
Swaraj Apartments Private Limited	Rent paid	3.00	NIL
Systematix Distributions Services Private Limited	Professional Fees Paid	41.89	NIL
	DP Charges	0.02	NIL

### 31) Employee Benefits:

The Company has adopted AS 15-Employee Benefits during the year.

(Amount in Rs.)

General Description	As on 31.03.2019	As on 31.03.2018
<b>Post employment Benefit Gratuity-Funded</b>		
<b>I) Changes in the Present Value Of the Obligation (PVO)-</b>		
Reconciliation of Opening and Closing Balances		
PVO as at the beginning of the Period	1 58 34 191	1 37 50 154
Interest cost	11 80 035	9 23 756
Current service cost	31 99 480	26 14 300
	-	1 22 989
	-	21 36 419
Benefits paid	(6 14 845)	(4 89 905)
Actuarial Loss/(Gain) on obligation	17 40 339	(32 23 522)
PVO as at the end of the period	2 13 39 200	1 58 34 191
<b>ii) Changes in Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at the beginning of the Period	1 10 65 664	1 05 36 662
Adjustment to Opening Fair value of Plan Assets	0	0

Expected Return on Plan Assets	9 17 700	8 53 500
Contributions	14 28 054	3 62 354
Benefit Paid	(6 14 845)	(4 89 905)
Actuarial gain/(loss) on plan assets	(1 80 127)	( 1 96 947)
Fair Value of Plan Assets at the end of the period	1 26 16 446	1 10 65 664
<b>iii) Amount recognized in the Balance Sheet and Related Analysis</b>		
Present value of obligation	2 13 39 200	1 58 34 191
Fair value of Plan assets	1 26 16 446	1 10 65 664
Difference Liability Recognized in the Balance Sheet	(87 22 754)	47 68 527
Expenses recognized in the statement of Profit & Loss	53 82 281	19 78 883
<b>iv) Principal Actuarial Assumption</b>		
Discount Rate	7.00%	7.60%
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	7.00%	8.00%

**32) SEGMENT INFORMATION**

PARTICULARS	YEAR ENDED	YEAR ENDED
	31.03.2019	31.03.2018
	Rs In Lakhs	Rs In Lakhs
<b>1. Segment Revenue</b>		
a) Merchant Banking & Related Activities	826.91	761.24
b) Financing & Other Activities	2065.50	1931.60
c) Equity, Commodity, Currency & Other Transactional Services	3148.88	3053.12
<b>Total</b>	<b>6041.29</b>	<b>5745.96</b>
Less:		
Inter Segment Revenue	424.38	165.89
<b>Net income from Operations</b>	<b>5616.91</b>	<b>5580.07</b>
<b>2. Segment Results Profit Before Tax and Interest from each segment</b>		
a) Merchant Banking & Related Activities	7.61	407.43
b) Financing & Other Activities	1647.99	1228.17
c) Equity, Commodity, Currency & Other Transactional Services	(627.41)	176.54
<b>Total</b>	<b>1028.20</b>	<b>1812.14</b>

<b>Less:</b>		
a) Interest	1226.96	926.50
<b>Total profit before Tax &amp; Extra ordinary Items</b>	<b>(198.76)</b>	<b>885.64</b>
<b>3.Capital Employed</b> (Segment Assets-Segment Liabilities)		
a) Merchant Banking & Related Activities	(684.05)	84.82
b) Financing & Other Activities	4519.02	3756.34
c) Equity, Commodity, Currency & Other Transactional Services	4312.49	4553.47
<b>Total</b>	<b>8147.45</b>	<b>8394.64</b>

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.

### 33. Expenditure in Foreign Currency

(Amt. in )

Particulars	31.03.2019	31.03.2018
Subscription	19 57 727	11 78 710
Travelling	1 70 506	14 88 910
Employee Training Expense	17 74 890	-
Professional fees paid	5 65 738	-

### 34. Earnings in Foreign Currency

Particulars	31.03.2019	31.03.2018
Service Fees Received	6 15 825	2 57 481

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

Vide our report of date attached

For S Jawahar & Associates  
FRN NO:006232S  
Chartered Accountants

Sd/-  
S Jawahar  
Partner M.NO 201098

Place:Mumbai  
Date:28.05.2019

For & on behalf of the Board of Directors

Sd/-  
C P Khandelwal  
Managing Director

Sd/-  
Anil Bhagchandani  
CFO

Sd/-  
Vrunda Dhanesha  
Company Secretary

**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 34<sup>th</sup> Annual General Meeting of the Company, to be held on the 27<sup>th</sup> day of September, 2019 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**

**Item No.1:** Adoption of Audited Financial Statements for the financial year ended March 31, 2019 together with reports of the Auditors and Board of Directors thereon.

**Item No.2:** Re-appointment of Mr. Nikhil Khandelwal, Director, who retires by rotation.

**Item No.3:** Ratification of re-appointment of M/s. S. Jawahar & Associates as Statutory Auditors and fixing their remuneration.

**SPECIAL BUSINESS**

**Item No.4:** Re-appointment of Mr. Sanjay Khandelwal as an Independent Director of the Company

Signed this ..... day of ....., 2019

Signature of Shareholder (s) :

Signature of Proxy Holder (s):

Affix Revenue  
Stamp of not  
less than  
Rs. 1/-

**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. Appointing a Proxy does not prevent a member from attending the meeting in person if he/she so wishes

2. For the resolutions, Explanatory Statement and Notes Please refer to the Notice of 34<sup>th</sup> Annual General Meeting.

**Systematix Corporate Services Limited**

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

**Corp. Office:** The Capital, "A" Wing, 6<sup>th</sup> 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: +91-22-6619 8000

**ATTENDANCE SLIP**

Regd. Folio No/ DP ID/ Client ID.: \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

Name of the Member (in Block Letters): \_\_\_\_\_

Name of the Proxy Holder: \_\_\_\_\_

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

I hereby record my presence at the **34<sup>th</sup> ANNUAL GENERAL MEETING** of the Company on Friday, **September 27, 2019 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)

- Note:**
1. Please fill up this attendance slip and hand it over the entrance of the meeting.
  2. Members are requested to bring their copies of the Annual Report to the AGM.

**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, 6<sup>th</sup> 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: +91-22-6619 8000

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(PRINTED MATTER)**

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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**
- 📞 : 0731- 4068253
- ✉ : [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in)
- 🌐 : [www.systematixgroup.in](http://www.systematixgroup.in)