



SYSTEMATIX GROUP
Investments Re-defined

SYSTEMATIX CORPORATE SERVICES LIMITED

24th Annual Report

2008-2009

Board of Directors

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

Bankers

HDFC Bank, Chennai
State Bank of Indore, Mumbai
ICICI Bank Ltd, Indore
Axis Bank Ltd, Chennai

Auditors

Maharaj N.R. Suresh & Co.
Chartered Accountants
New No. 9 (Old No.5)
2nd Lane, 2nd Main Road
Trustpuram
Kodambakkam
Chennai - 600024

Registered Office

206-207, Bansi Trade Centre
581/5, M.G. Road, Indore - 452 001
Tel.: (0731) 3018111
Fax : (0731) 4068253

Share Transfer Agent

Cameo Corporate Services Ltd.
Subramanian Building No.1,
Club House Road, Chennai - 600 002
Tel.: 044-228460390 (6 Lines)

NOTICE OF 24TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 24th Annual General Meeting of the shareholders of **SYSTEMATIX CORPORATE SERVICES LIMITED** will be held on Wednesday 30th September, 2009 at 12.30 p.m. at the registered office of the Company at 206-207, Bansi Trade Centre, 581/5, M.G. Road, Indore-452001 (M.P.) to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt
 - a. The Audited Balance Sheet as at 31st March 2009;
 - b. The Audited Profit & Loss Account for the year ended on that date;
 - c. The Auditor's Report thereon and
 - d. The Director's Report
2. To appoint a Director in place of Mr. Sunil Sarda who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Maharaj N.R. Suresh & Co. retiring Auditors are eligible for re-appointment.

SPECIAL BUSINESS :**4. Appointment of Mr. Ramesh Raizada as Director of the Company**

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

"RESOLVED THAT Mr. Ramesh Raizada who was appointed as an Additional Director of the Company with effect from 24th October, 2008 at the meeting of the Board of Directors of the Company and who holds office till the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 257 of the Companies Act, 1956, proposing his candidature for the office of Director be and is hereby appointed as a Director of the Company liable to retire by rotation".

5. Appointment of Mr. Ramesh Raizada as Managing Director of the Company

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

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accord its approval to the appointment of and remuneration & perquisites payable to Mr. Ramesh Raizada as the Managing Director of the Company for a period of 5 year commencing from 24th October, 2008 on the terms and conditions as decided by Board of Directors with the approval in Remuneration Committee."

By order of the Board
For Systematix Corporate Services Limited

Sd/-
C.P. Khandelwal
(Chairman & Managing Director)

Place : INDORE
Date : 30-06-2009

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Friday the 25th September, 2009 to Wednesday, the 30th of September, 2009 (both days inclusive).
3. Members / proxies should bring the attendance slips duly filled in and signed for attending the meeting.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
5. Queries on accounts and operations may please be sent to the Company 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.
6. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Pursuant to the recommendation of SEBI Committee on Corporate Governance for reappointment of the retiring Directors, a statement of the details of the concerned directors is attached hereto.
9. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 with respect to the Special Business is enclosed herewith forming part of the Notice.
10. The members who have not paid full amount on their shares are requested to pay such amount at the earliest. The Company is in the process to issue final notice to all such shareholders who have partly paid the call money on their shares and even after such notice, if amount is not paid, such shares shall be forfeited by the Board of Directors of the Company.

Additional Information

Additional Information required under Clause 49 IV(G) of the Listing Agreement on Directors seeking for appointment or re-appointment at Annual General Meeting

Mr. Sunil Sarda

Mr. Sunil Sarda is a fellow member of the Institute of the Chartered Accountants of India. He is having rich experience of finance, stock and capital markets. He joined the Board of Directors of the Company on 20th December, 2006. He is also a Director in the following companies:

1. Dynamic Orbits Advisory Pvt. Ltd.
2. Nischal Enterprises Pvt. Ltd.
3. Predict Investment & Finance Consultants Pvt. Ltd.
4. Anurodh Granites Pvt. Ltd.
5. Shubh Garments Pvt. Ltd.

He does not hold any shares in the company.

Mr. Ramesh Raizada

Mr. Ramesh Raizada is a fellow member of the Institute of the Chartered Accountants of India. He is having 20 years of work experience in Fund Management. He was CIO of Gujarat Fluorochemicals Ltd. In the Past, he has worked as the CIO of IL&FS Investment Management and was also member of the core Investment committee of the trust in UTI responsible for management of all domestic schemes / funds launched by the trust.

He is also a Director SRK Value Research Pvt. Limited

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**For Item No. 4 and 5**

Mr. Ramesh Raizada was appointed by the board of directors in its meeting held on 24th October, 2008 as an additional director of your Company w.e.f. 24th October, 2008 pursuant to Section 260 of the Companies Act, 1956 and in terms of Article of Association of the Company. He holds office up to the date of ensuing Annual General Meeting. In the same Board Meeting he was also appointed as a Managing Director of the Company initially for a period of one year w.e.f. 24th October, 2008 subject to the approval of the members.

Your Company has received a notice under section 257 of the Companies Act, 1956 from a shareholder of your Company signifying his intention to propose the name of Mr. Ramesh Raizada for appointment as a Director of your Company. Members approval is also sought for the appointment of Mr. Ramesh Raizada as a Managing Director of the Company for a period of 5 years w.e.f. 24th October, 2008 and for the payment of salary and other perquisites to be fixed from time to time by the Board of Directors of your Company within an overall ceiling approved by the members. A brief profile of Mr. Ramesh Raizada is given hereto under the head "Additional Information"

By order of the Board
For Systematix Corporate Services Limited

Sd/-
C.P. Khandelwal
(Chairman & Managing Director)

Place : INDORE
Date : 30-06-2009

DIRECTORS' REPORT

The Members of
Systematix Corporate Services Ltd.

Dear Members,

Your Directors have pleasure in presenting Twenty Fourth Annual Report and Audited Accounts for the year ended 31st March 2009.

Financial Review:**(Rs. in Lacs)**

Particulars	Year ended 31/03/2009	Year ended 31/03/2008
Total Income	31.63	126.28
Total Expenditure	227.70	73.45
Profit / (Loss) before deprecation and interest	(196.07)	52.83
Interest	3.21	4.07
Depreciation	7.68	9.94
Profit/(Loss) before Tax	(206.96)	38.82
Tax/Provision for Taxation/Deferred Tax	0.35	13.03
Profit/Loss after Tax	(207.31)	25.79
Paid up Equity Share Capital	1259.87	1259.66
Reserves	991.22	969.88

As is evident from the above financial review, during the year, the Company has earned Income of Rs.31.63 Lacs as compared to income of Rs. 126.28 Lacs of the previous year. The Company is taking hard and effective steps to grab all the business opportunities and improve its performance.

CHANGE IN CAPITAL STRUCTURE :

During the year 2007-08 the company issued 40 00 000 equity shares of Rs 10/-each on Preferential basis at a premium of Rs 20 per/-share as per SEBI Guidelines.

The Company also allotted 76 21 200 share warrants at a price of Rs 30 per warrant on Preferential basis as per SEBI Guidelines. These warrants are convertible in to 1 fully paid equity share of Rs. 10/-each at a premium of Rs. 20/- amounting to Rs. 22 86 36 000/- any time between September 2007 to March 2009 against which 10% of the value has been received 31st March 2008.

DIVIDEND:

In order to conserve the resources for increasing business operations, your Directors do not recommend any dividend for the year under review.

PUBLIC DEPOSITS:

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

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Sunil Sarda retires by rotation at the forthcoming Annual General Meeting, and being eligible, offers himself for re-appointment.

Mr. Ramesh Raizada was appointed by the board of directors in its meeting held on 24th October, 2008 as an additional director w.e.f. 24th October, 2008 pursuant to Section 260 of the Companies Act, 1956. In the same Board Meeting he was

also appointed as a Managing Director of the Company subject to the approval of the members.

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

Mr. Ravi Chandra Babu, director and chief executive officer of the Company has resigned with effect from 30th June 2008 due to their preoccupation and general exigency. The Board place on record their appreciation for the services rendered by him during his association with the Company.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i) That in the preparation of the annual accounts for financial year ended 31st March 2009, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended on 31st March, 2009 and of the profit of the Company for the year ended on that date.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors have prepared the annual accounts on a going concern basis.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion & Analysis Report, as required under the Listing agreement with the Stock Exchanges is enclosed at Annexure 'A'.

LISTING AT STOCK EXCHANGES:

The equity shares of the company continue to be listed at Bombay Stock Exchange Ltd. (BSE). The Company has paid the annual Listing fee for the financial year 2008-09 to BSE.

The delisting application was filed with Madhya Pradesh Stock Exchange (MPSE), Indore for voluntary delisting of its shares is now approved.

AUDITORS AND AUDITORS' REPORT:

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

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

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

PARTICULARS OF EMPLOYEES:

There was no employee during the period drawing remuneration attracting the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE:

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

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges forms part of the Annual Report.

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

AUDIT COMMITTEE:

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

ACKNOWLEDGEMENTS:

Your Directors place on record their gratitude for the valuable support and assistance extended to the Company by the Banks, Government authorities and look forward to their continued support. Your Directors also place on record their gratitude towards the stakeholders and clients of the Company for reposing their faith and confidence in the Company. Yours Directors also wish to place on record their appreciation of the contribution made by the Executives and staff of the Company.

By order of the Board
For Systematix Corporate Services Limited

Sd/-

C.P. Khandelwal
(Chairman & Managing Director)

Place : Indore
Date : 30-06-2009

Annexure A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE & DEVELOPMENT

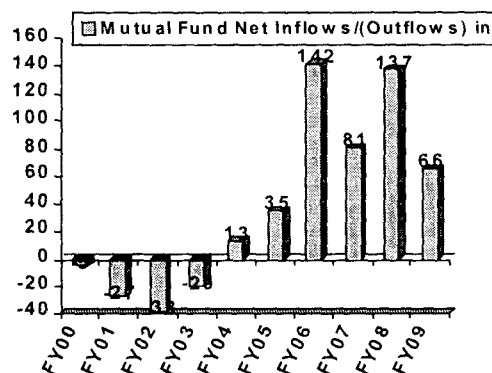
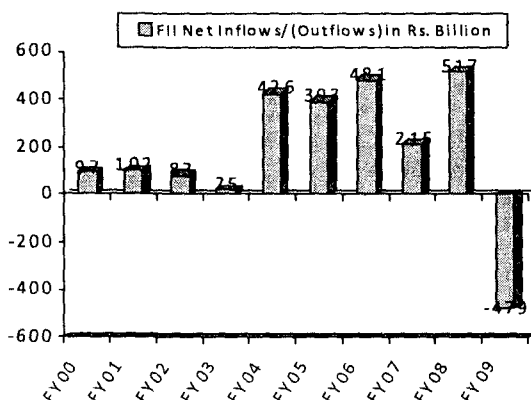
Merchant Banking and Financial Services market is fast growing over the last few years. Merchant Banker services includes providing merchant banking services like Public Issue Management i.e., acting as manager / lead manager to the public issues, right issues, open offer under Takeover Code, Buy Back Scheme, Portfolio Management Services, private placement of debt and equity instruments. The present position of stock market in India has opened new era for finance industry.

GLOBAL ECONOMY:

FY 2009 was a challenging year for the global economy, especially for financial services in the developed countries. The world witnessed the collapse of Lehman Brothers and AIG, both prestigious US financial institutions in 3rd Quarter, 2008 which caused a complete freeze of the credit markets worldwide. The US and UK financial systems witnessed a crisis of solvency, lack of liquidity and complete disappearance of credit appetite. The financial crisis resulted in negative economic growth, collapse of the housing markets and crisis in large US corporate. The central government of all major countries had to step in to bail out the financial systems to prevent a complete economic meltdown. The US government approved a large bailout package running into billions to salvage the banks resulting in the nationalization of large banks and insurance companies. Similar actions were witnessed in the UK.

INDIAN ECONOMY

The Indian Economy, after witnessing strong growth up to the second quarter of FY09 has experienced sharp deceleration in wake of global economic slowdown. India's real GDP grew 6.7% during FY09 as compared to 9.0% in FY08. Financial markets in India witnessed high volatility in the second half of FY09 and came under pressure reflecting the effects of international financial markets. During the second half, the recession concerns were reflected with the highest plunge than any crisis since 1930, in the equity markets along with global equity markets. The BSE Sensex saw an unprecedented swing from 20,873 in January 2008 to 8,451 in November 2008. The key factors that led the downward trend in the Indian markets were weakness in global financial markets, slowdown in the domestic economy, and heavy selling by Foreign Institutional Investors (FII). The Indian rupee depreciated 27% v/s the US dollar, which also had a negative impact on corporate earnings.



FIIs were the net sellers in the secondary market where the outflow during the year were Rs. 479 billion.

B. OUTLOOK

FY09 has been one of the most challenging year due to overall economic slowdown, sub prime crisis, investors aversion and other factors associated with the business. This resulted in slowing down of FII inflows into capital market and mutual funds. Although the world governments have acted fast to mitigate the systematic risk it is too early to predict whether the global financial services sector has come out of the woods. In the recent elections, the India electorate has given a decisive mandate in favour of United Progressive Alliance (UPA) because of which political instability would cease to be a factor in investment decisions. The stock markets have responded well as the stable government regained power at the centre and there has also been an increase in confidence among FIIs considering India as an investment destination.

Your Company being a player in the Financial Markets will have to work very hard to overcome the slackness. Given your Company's professional character and inherent managerial capabilities, we are sure that the Company will find suitable avenues to continue to grow at a much faster rate than many of the competitors.

C. RISK & CONCERNS

The business of your company totally depends upon the changes taking place in the economy either it be relating to fluctuations in stock and capital market, regulations governing such markets, government policies, taxation policies, changes taking place in global economies, etc.

D. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The revenues of the Company for the year under review were Rs.31.63 Lacs as compared to Rs. 126.28 Lacs for the previous year. The net Loss of the year under review was Rs. 207.31 Lacs as against net profit of Rs. 25.78 Lacs in the previous year.

E. INTERNAL CONTROL AND ADEQUACY

The Company has a defined organization structure and has developed well policy guidelines with predefined authority levels. An extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and regulations has also been implemented. The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly. Also, the company has an exhaustive budgetary control system to monitor capital related as well as other costs, against approved budgets on an ongoing basis.

F. MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

The Company's human resources philosophy is to establish and build a strong performance driven culture with greater accountability and responsibility at all levels. To that extent the Company views performance and capability as a combination of the right people in the right jobs, supported by the right processes, systems, structure and metrics.

The industrial relations climate of the Company remained cordial during the year and continues to be focused towards improving quality and capability.

G. CAUTIONARY STATEMENT

Statements in this "Management Discussion and Analysis" describing the Company's objectives, expectations or predictions are forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement depending on various factors and circumstances.

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing agreement, a Report on Corporate Governance is given below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

2. BOARD OF DIRECTORS**Composition**

During the year under review, the Board of Directors of SCSL consisted of 7 Directors out of which Mr. Ravichander Babu has resigned from the Directorship of the Company with effect from 30th June, 2008.. Except the Managing Director and Chief Executive Officer, all the Directors are liable to retire by rotation. The Chairman of the Board is an executive Director. There is no institutional or nominee or Government Director on the Board.

Mr. Sunil Sarda retires by rotation in terms of provisions of the Companies Act, 1956 and Articles of Association of the Company.

The Composition of and the category of directors on the Board of the Company as on March 31, 2009.

Particulars of Directors	Category
Mr. C.P.Khandelwal	Executive Director, Promoter,
Mr. Ramesh Raizada*	Executive Director, Professional
Mr. Mahesh solanki	Non Executive Director, Independent
Mrs. Anju Khandelwal	Non Executive Director, Promoter,
Mr. Sunil Sarda	Non Executive Director Independent
Mr. J.N. Khandelwal	Non Executive Director, Independent

* Mr. Ramesh Raizada appointed as Managing Director w.e.f 24th October, 2008

B. Board Procedure

During the financial year 2008-09, Six meetings of the Board of Directors were held on 30th April, 2008, 30th June 2008, 2nd July 2008, 31st July, 2008, 24th October, 2008, and 31st January 2009.

The gap between any two meetings did not exceed four months, as mandated in clause 49. The dates of the meetings were generally decided in advance. Key information was placed before the Board of Directors to comply with Corporate Governance practices.

The details of the Board of Directors, their position, attendance record for the financial year ended 31st March, 2009 and other Directorships (excluding alternate directorships but including directorships in private limited companies) and the membership of Board Committees other than your Company has been given as follow

Name of Director	Position	No. of Board Meetings held	No. of Board Meetings Attended	Attendance the last AGM	Member of other Board Committees		No. of other Directorships in other Board excluding private companies
					Member ship	Chariman ship	
Mr. C.P. Khandelwal	M.D.	6	6	Yes	-	-	5
Mr. Ramesh Raizada*	M.D.	2	2	-	-	-	-
Mrs. Anju Khandelwal	NED	6	5	Yes	-	-	1
Mr. Ravichander Babu	ED	2	0	No	-	-	4
Mr. Mahesh Solanki	ID	6	6	Yes	-	-	-
Mr. J.N. Khandelwal	ID	6	6	No	3	-	3
Mr. Sunil Sarda	ID	6	5	Yes	-	-	-

M.D. - Managing Director
 NED - Non-executive Director
 ED - Executive Director
 ID - Independent Director

* Mr. Ramesh Raizada appointed as Managing Director w.e.f 24th October, 2008

3. AUDIT COMMITTEE

Composition:

The Board has constituted Audit Committee comprising three Non-Executive Independent Directors, namely Mr. Mahesh Solanki (Chairman), Mr. Sunil Sarda and Mr. J.N. Khandelwal. All the members of the Audit Committee possess financial accounting expertise.

Meetings:

Five meetings of the Committee were held during the financial year under review on 30th April 2008, 30th June, 2008, 31st July, 2008, 24th October 2008, and 31st January, 2009 and all the meetings were attended by all the members of the Committee constituted at the time of such meetings.

Terms of Reference

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

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

The constitution of the audit Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The Chairman of the reconstituted Audit Committee Mr. Mahesh Solanki was present at the 23rd Annual General Meeting of the Company held on 30th September 2008.

Executives of Finance Department, Secretarial Department, Head of Internal Audit and representatives of the Statutory Auditors are invited to attend the Audit Committee Meetings.

Objective

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

Information for review:

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

4. REMUNERATION COMMITTEE

Composition, Meetings and terms of reference

The Remuneration Committee comprised of Mr. Mahesh Solanki, Mr. Sunil Sarda and Mr. J.N. Khandelwal.. Mr. Mahesh Solanki has been appointed as the Chairman of the reconstituted Remuneration Committee.

The Committee met once during the year and was attended by all the Committee Members.

Terms of Reference

- Administration and superintendence of Employee Stock Option Scheme.
- Formulation of the detailed terms and conditions of the ESOS.
- Grant of stock options.

- Recommendation for fixation and periodic revision of compensation of the Managing Director and Executive Directors to the Board for approval.
- Review and approve compensation policy (including performance bonus, incentives, perquisites and benefits) for senior management personnel.

Remuneration Policy

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

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

Remuneration of Directors

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

Remuneration of the Executive Directors for the year ended 31st March, 2009, was as follows:

Name of Director	Sitting fee (Rs)	Commission on profit (Rs.)	Salary & allowance (Rs.)	Contribution to PF	Perquisites (Rs.)	Total (Rs.)
Mr. C.P. Khandelwal,	Nil	Nil	11,60,000/- p.a.	Nil	Nil	11,60,000/- p.a.
Mr. Ramesh Raizada	Nil	Nil	3,75,000/- p.a.	Nil	Nil	3,75,000/- p.a.

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

No payment in the form of Directors' Remuneration was made to any other Director for the year ended 31st March 2009.

Remuneration to Non-Executive Directors

During the year ended 31st March 2009, the Company has not paid any remuneration either in the form of commission or sitting fee to its non-executive Directors.

5. SHAREHOLDERS' AND INVESTORS' GRIEVANCE COMMITTEE

The Committee has the mandate to look into the shareholders' and investors' complaints on matters relating to transfer of shares, non-receipt of annual report, etc. In addition, the Committee also looks into matters, which can facilitate better investor services and relations.

The Committee comprised of Mr. Ravichander Babu, Mr. Mahesh Solanki and Mr. Sunil Sarda with Mr. Mahesh Solanki as the Chairman and Mr. Ravichander Babu as the Compliance Officer. After the resignation of Mr. Ravichander Babu W.e.f. 30th June, 2008, the Committee was reconstituted with the introduction of Mr. Deepak Bhasin as Compliance Officer in the vacancy caused by the resignation of Mr. Ravichander Babu and with Mr. Mahesh Solanki as its Chairman and Mr. Sunil Sarda.

The Committee meets regularly for redressing shareholders' / investors' complaints like non-receipt of Balance Sheet, transfer of shares, etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Board of Directors has delegated power for approving transfer of securities to Directors. The Committee focuses primarily on strengthening investor relations and ensuring rapid resolution of any shareholder or investor concerns. The Committee also monitors implementation and compliance of the Company's code of conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 1992.

During the year ended 31st March 2009, 4 investor complaints were received and no complaint was pending for redressal as on 31st March 2009.

The Company addresses all complaints, suggestions and grievances expeditiously and replies have been sent / issues resolved usually within 15 days, except in case of dispute over facts or other legal constraints.

The Shareholders' / Investors' Grievance Committee reviews the complaints received and action taken.

No requests for share transfers are pending except those that are disputed or sub-judice.

Compliance Officer

Mr. Deepak Bhasin, is the Compliance Officer for complying with the requirements of the Listing agreement with the Stock Exchanges and for complying with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992

Exclusive E-Mail Id for Investor's Grievances: investor.systematix@gmail.com

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

Financial year	Date	Time	Venue	Special Resolution Passed
Annual General Meeting 2005-06	04.08.2006	12 .30pm	At the registered office of the company: 206-207, Banshi Trade Centre, 581/5, M.G. Road, Indore	Appointment of Mr. Ravichander Babu as a Whole time Director of the Company designated as Chief Executive Officer for a period of 5 years w.e.f. 01.10.2005.
Annual General Meeting 2006-07	22.09.2007	12.30 p.m.	At the registered office of the company : 206-207, Banshi Trade Centre, 581/5, M.G. Road, Indore	1. Alteration of Clause V of the Memorandum of Association of the Company relating to share Capital. 2. Alteration of Article No.3 of the articles of Association of the Company relating to share capital. 3. Issue of 40,00,000 equity shares to Superstar Exports Pvt. Ltd. on a preferential basis at a price of Rs. 30/- per share. 4. Issue of 76,21,200 warrants convertible into equity shares at a price of Rs. 30/- each on which Rs. 3/- was payable as upfront fee.
Annual General Meeting 2007-08	30.09.2008	12.30 p.m.	At the registered office of the company : 206-207, Banshi Trade Centre, 581/5, M.G. Road, Indore	Authorization for giving corporate guarantees by the Company

B) Special Resolution passed through postal Ballot

Consent of shareholders was sought through postal ballot for the following:

1. Increase in Borrowing Limits of the Company
2. Authorization for creation of charge and/or mortgage over the properties of the Company
3. Authorization for giving corporate guarantees by the Company

The resolution was sent to shareholders for their approval through Postal Ballot which was returnable by 29th September 2008. The results were declared and approved at the meeting on 30th September 2008 at the registered office of the company. The above resolutions were passed by requisite majority.

No Special resolution is proposed to be passed by Postal ballot at the ensuing Annual General Meeting.

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

None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts point no.9 forming part of the Annual Report.

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

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

Disclosure of Directors' interest in transactions with the Company

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

Compliance by the Company

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

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

Risk Management

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls risk through means of a properly defined framework

Code of Conduct

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

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

8. MEANS OF COMMUNICATION

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

9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting : Date, Time and Venue	Wednesday, the 30th day of September 2009 at 12.30 p.m. at the registered office of the Company at 206-207, Bansi Trade Centre, 581/5, M.G. Road, Indore-452001 (M.P.)
Tentative Financial Calendar (subject to change) for the financial year 2009-10: First Quarter ending 30th June, 2009 Second Quarter ending 30th Sept. 2009 Third Quarter ending 31st Dec., 2009 Fourth Quarter ending 31st March, 2010	End of July, 2009 End of October, 2009 End of January, 2010 End of April, 2010
Date of Book Closure	Friday, the 25th of September, 2009 to Wednesday, the 30th of September, 2009 (both days inclusive)
Listing on Stock Exchanges	Bombay Stock Exchange Ltd., Mumbai, Voluntarily Delisting from Madhya Pradesh Stock Exchange, Indore is now approved.
Stock Code	The Stock Exchange, Mumbai - 526506
Dematerialization of Shares	The shares of the Company are compulsorily traded in dematerialized form under the depository system of both the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL). Company's Electronic

	Connectivity Registrar isCameo Corporate Services Ltd.Subramanian BuildingClub House Road, Chennai - 600002Ph. No : 044-28460390
ISIN Number	INE356B01016
Corporate Identification Number	L91990MP1985PLC002969
Dematerialization of shares and Liquidity	60.51 % of the paid up capital of the company has been dematerialized as on 31.03.2009.Further trading in the Company's shares is compulsory in dematerialized form.
Registrar and Transfer Agents	Cameo Corporate Services Ltd.Subramanian Building,Club House Road, Chennai - 600 002Ph. No. 044-28460390
Share Transfer System	All the transfers received are processed by the Registrar and Transfer Agents and approved by the Share Transfer Committee
Dividend Payment for financial year 2008-09	Nil
Address for correspondence	Systematix Corporate Services Ltd., 206-207, Bansi Trade Centre, 581/5, M.G. Road, Indore-452001OrShareholders may correspond to the Registrar and Transfer Agents.

Stock Price Data

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

Month	Company's share price on BSE		BSE Sensex	
	Monthly High (in Rs.)	Monthly Low (in Rs.)	High	Low
April, 2008	73.60	59.50	17480.74	15297.96
May, 2008	64.90	50.00	17735.70	16196.02
June, 2008	59.15	28.50	16632.72	13405.54
July, 2008	56.10	28.10	15130.09	12514.02
August, 2008	54.90	39.45	15579.78	14002.43
September, 2008	56.90	40.00	15107.01	12153.55
October, 2008	46.00	31.40	13203.86	7697.39
November, 2008	34.70	19.20	10945.41	8316.39
December, 2008	22.05	16.20	10188.54	8467.43
January, 2009	26.80	21.20	10469.72	8631.60
February, 2009	23.45	19.30	9724.87	8619.22
March, 2009	21.05	14.45	10127.09	8047.17

Shareholding Pattern as on 31st March, 2009

	Category	No. of Shares Held	Percentage of Shareholding
A.	Promoter's Holding		
1.	Indian Promoters :		
	Individuals / HUF	200151	1.58
	Bodies Corporate	4000000	31.55
	Foreign Promoters	Nil	Nil
	Sub-total	4200151	33.13
B.	Non-Promoter's Holding		
1.	Institutional Investors	Nil	Nil
a.	Mutual Funds and UTI	Nil	Nil

	Category	No. of Shares Held	Percentage of Shareholding
	Banks, Financial Institutions, Insurance Companies [Central / State Govt. Institutions Non-government Institutions]	Nil	Nil
	FII's	Nil	Nil
	Sub-total	Nil	Nil
	Others		
	Private Corporate Bodies	5780823	45.60
	Indian Public	2643654	20.85
	NRI's / OCBs	1810	0.01
	Any other		
	- Clearing Member	135	0.01
	- Hindu Undivided Families	52227	0.41
	Sub-total	8478649	66.87
	Grand Total	12678800	100.00

Distribution of Shareholding as on 31st March, 2009

Share holding of Nominal Value (Rs.)	No. of Shareholders	% of Total	No. of Shares	% of Total
10 to 5000	1922	76.0886	4500680	3.55
5,001 to 10,000	281	11.1243	2381380	1.88
10,001 to 20,000	138	5.4631	2157190	1.70
20,001 to 30,000	42	1.6627	1090280	0.86
30,001 to 40,000	27	1.0688	989920	0.78
40,001 to 50,000	18	0.7125	850000	0.67
50,001 to 1,00,000	48	1.9002	3608870	2.85
1,00,001 and above	50	1.9794	111209680	87.71
Total	2526	100.00%	126788000	100.00%

Auditor's Certificate on Corporate Governance

The Company has obtained a certificate from its statutory auditors Maharaj N.R. Suresh & Co., Chartered Accountants confirming compliance with the conditions of corporate governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges. This Certificate is annexed to the Directors' Report for the year 2008-09. This certificate will be sent to the stock exchanges along with the annual report to be filed by the Company.

DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

"I, the undersigned hereby confirm that the Company has obtained from all the members of the Board and Senior Management, affirmation that they have complied with the Code of Business Conduct and Ethics for Directors and Senior Management in respect of the financial year 2008-09."

By order of the Board
For Systematix Corporate Services Limited

Place : Indore
Date : 30-06-2009

Sd/-
C.P. Khandelwal
(Chairman & Managing Director)

Sd/-
Mahesh Solanki
(Director)

AUDITOR'S CERTIFICATE

We have examined the compliance of the conditions of the Corporate Governance by Systematix Corporate Services Ltd. for the year ended 31st March, 2009 as stipulated in Clause 49 of the Listing agreement of the Company with the Stock Exchanges.

The compliance of the conditions 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 statements of the Company.

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

As informed to us, 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, 2009, no grievance was unattended / pending for more than 30 days.

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

**For Maharaj N. R. Suresh & Co.
Chartered Accountants**

**Place : Mumbai
Date : 29.06.2009**

Sd/-
**N. R. Suresh
(Partner)
M. No. 21661**

CERTIFICATE

Mr. Ramesh Raizada, Managing Director of the Company hereby certify to the Board of Directors of the Company that :-

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2009 and that to the best of our knowledge and belief :
 - (a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) 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.
2. There are to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We accept responsibility 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 and that we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee :
 - (a) Significant changes in internal control over financial reporting during the year;
 - (b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For Systematix Corporate Services Ltd.

Place : Mumbai
Date : 29.06.2009

Sd/-
Ramesh Raizada
(Managing Director)

AUDITORS REPORT

To the Members of
SYSTEMATIX CORPORATE SERVICES LIMITED

1. We have audited the attached Balance Sheet of M/s Systematix Corporate Services Limited as at 31st March 2009, the Profit And Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those Books.
 - (iii) The Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009
 - (b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date; and
 - (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Maharaj N R Suresh and Co
Chartered Accountants

Sd/-

N. R. SURESH

(Partner)

Membership No:21661

Place : Mumbai
Date : 29.06.2009

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

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) No substantial part of fixed assets has been disposed off during the year.
- (ii) According to the information and explanations given to us, and having regard to the Company's business the question of reporting on clause 4 (ii) a, 4 (ii) b, 4 (ii) c (relating to Inventory) of the Companies (Auditors report) order, 2003 as amended by Companies (Auditors Report) (amendment) order 2004, does not arise.
- (iii) (a) The Company has granted unsecured loan to two companies covered in the register maintained u/s 301 of the Companies Act, 1956. The amount outstanding at the end of the year is Rs. 190.30 lakhs, including interest of Rs 13.76 lakhs.
- (b) In our opinion, the rate of interest and other terms and conditions of the said unsecured loan given by the company are not, prima facie prejudicial to the interests of the company.
- (c) Payment of Principal and Interest are in accordance with the terms.
- (d) The company has taken unsecured loan from two Companies covered in the register maintained under section 301 of the companies Act, 1956. The amount outstanding at the end of the year is Rs 25.48 lakhs, including interest of Rs 3.09 lakhs
- (f) In our opinion, the rate of interest and other terms and conditions of the said unsecured loan taken by the company are not, prima facie prejudicial to the interests of the company.
- (g) Payment of Principal and Interest are in accordance with the terms.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchases of fixed assets and with regard to sale of Services. The Company has not made any sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) The particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable, having regard to the prevailing Market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the Public.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) As per the explanation and information given to us, the company is not required to maintain cost records pursuant to Section 209 (1) of the Companies Act. Accordingly the clause 4 (viii) of the order is not applicable to the Company.
- (ix) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax and other material statutory dues applicable to it. The provisions of Provident Fund, Employees' State Insurance Act are not applicable to the Company. No amount is payable to Investor Education and Protection Fund.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty, Service Tax and cess were in arrears, as at 31st March 2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of Sale Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax and cess, which have not been deposited on account of any dispute
- (x) The Company has accumulated losses, as at 31st March 2009. The company has incurred cash losses during the financial year covered by our audit and has not incurred cash loss in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to bank. The Company has not obtained any borrowings from any Financial Institution or by way of debentures.
- (xii) The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The Company is not a chit fund or a nidhi / mutual benefit fund / society.
- (xiv) The Company in respect of Investment in shares, we are of the opinion that proper records have been maintained

of the transaction and contracts and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other securities in its own name.

- (xv) In our Opinion and according to the information and explanation given to us, the terms and conditions of the guarantees given by the Company for Guarantee /Loan taken by others from banks are not prime facie prejudicial to the Interest of the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year and according clause 4 (xvi) of the order relating to the application of term loan is not applicable to the company.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies Covered in the register maintained under section 301 of the Act
- (xix) The Company has no outstanding debenture at the end of the year.
- (xx) The Company has not raised money by public issues during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Maharaj N R Suresh and Co
Chartered Accountants

Sd/-

N.R.SURESH

(Partner)

Membership No 21661

Place : Mumbai
Date : 29.06.2009

BALANCE SHEET AS ON 31st MARCH 2009

(Amount in Rs.)

PARTICULARS	Schedule	As on 31/03/2009	As on 31/03/2008
I. SOURCES OF FUNDS			
1. Shareholders Fund :			
(a) Share Capital	1	125987000	125966000
(b) Share Warrants (Refer Note II(1) in Schedule 16)		0	22863600
(c) Reserve & Surplus	2	99122023	96988575
2. Loan Funds			
Secured Loans	3	0	513571
Unsecured Loans	4	2547828	5965228
Total		227656851	252296974
II. APPLICATION OF FUNDS			
1 Fixed Assets -	5		
Gross Block		14441043	14441043
Less : Depreciation		10501158	9733440
Net Block		3939885	4707603
2 Investments	6	198058450	214808700
3 Current Assets, Loans & Advances -			
(a) Sundry Debtors	7	7521690	7699019
(b) Cash & Bank Balance	8	456349	536838
(c) Loans, Advances & Deposits	9	28938066	35814199
		36916105	44050056
Less : Current Liabilities & Provisions			
(a) Current Liabilities	10	11292789	11304586
		11292789	11304586
Net Current Assets		25623316	32745470
4 Deferred Tax		35200	35200
Total		227656851	252296974

Note: Schedule 1 to 11 and Notes in Schedule 16 form part of this Balance sheet

Vide Our report of date attached

For Maharaj N. R. Suresh and Co.
Chartered Accountants

Sd/-
N.R.SURESH
(Partner)
M.NO 21661

For & On behalf of the Board of Directors

Sd/-
C.P. Khandelwal
(Managing Director)

Sd/-
Sunil Sarda
(Director)

Place: Mumbai
Date : 29.06. 2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009
(Amount in Rs.)

PARTICULARS	SCHEDULE	As on 31/03/2009	As on 31/03/2008
INCOME			
Incomes from Operations	11	1549750	9675000
Other Income	12	1613461	2953142
Total		3163211	12628142
EXPENDITURE			
Employees Cost	13	1404912	1479739
Director remuneration		1535000	1800000
Loss on Sale of Investments		16399898	0
Administrative Expenses	14	3429700	4065122
Total		22769510	7344861
Profit Before Interest and depreciation		(19606299)	5283281
Interest		321135	407412
Depreciation		767718	994811
Profit Before Tax		(20695152)	3881058
Provision for Taxation			
- Current Tax		0	1320000
- Deferred		0	(107000)
-Fringe Benefit Tax		35000	90000
Profit / (Loss) after Tax		(20730152)	2578058
Income Tax Relating To earlier Year		0	0
Surplus from Previous Year		12541818	9963760
Balance Carried over to Balance Sheet		(8188334)	12541818
Basic EPS		(1.63)	0.41
Diluted EPS		(1.63)	0.25

Note: Schedule 11 to 14 and Notes in Schedule 16 form part of this Profit&Loss Account.

Vide Our report of date attached

**For Maharaj N. R. Suresh and Co.
Chartered Accountants**

Sd/-
N.R.SURESH
(Partner)
M.NO 21661

For & On behalf of the Board of Directors

Sd/-
C.P. Khandelwal
(Managing Director)

Sd/-
Sunil Sarda
(Director)

Place: Mumbai

Date : 29.06. 2009

**SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2009**

(Amount in Rs.)

PARTICULARS	As on 31.03.2009	As on 31.03.2008
SCHEDULE 01		
SHARE CAPITAL		
AUTHORIZED:		
2,50,00,000 Equity Shares of Rs.10/- each	250000000	250000000
ISSUED AND SUBSCRIBED:		
1 26 78 800 Equity Shares of Rs.10/-each	126788000	126788000
PAID UP:		
1 26 78 800 Equity Shares of Rs.10/- each fully paid up	126788000	126788000
Less:- Calls in arrears (Other than Directors)	801000	822000
Total	125987000	125966000
SCHEDULE 02		
CAPITAL RESERVES		
Additions during the year (Refer Note (II)(1)in Schedule 16)	22863600	0
Share Premium		
As per the last Balance Sheet	80000000	80000000
General Reserve		
As per last balance sheet	4446757	4446757
Surplus in Profit & Loss A/c	(8188334)	12541818
Total	99122023	96988575
SCHEDULE - 3		
SECURED LOAN		
From Others	0	513571
Hire Purchase	0	513571
Total	0	513571
SCHEDULE - 4		
UN SECURED LOAN		
From Others	2547828	5965228
Intercompany Loans	0	0
Total	2547828	5965228

SCHEDULE 05
FIXED ASSETS

SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2009

(Amount in Rs.)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 1.4.2008	Additions during the Year	Deductions during the Year	Cost as at 31.3.2009	As at 1.4.2008	For the year	Written Back	Total As at 31.03.2009	As at 31.3.2009	As at 31.3.2008
Office Equipments	1225740	0	0	1225740	1026764	58223	0	1084987	140753	198976
Furniture & Fixtures	5767741	0	0	5767741	3454603	365098	0	3819701	1948040	2313138
Computer	2755996	0	0	2755996	2659552	0	0	2659552	96444	96444
EPABX	237732	0	0	237732	235462	0	0	235462	2270	2270
Air Conditioner	828595	0	0	828595	769421	0	0	769421	59174	59174
Vehicle	3625239	0	0	3625239	1587638	344397	0	1932035	1693204	2037601
Total	14441043	0	0	14441043	9733440	767718	0	10501158	3939885	4707603
Previous Year	12022659	2418384	0	14441043	8738629	994811	0	9733440	4707603	3284032

PARTICULARS	As on 31.03.2009	As on 31.03.2008
<u>Schedule - 6</u>		
<u>Investments -Long Term (quoted)</u>		
Investments in Equity Shares		
<u>Quoted :</u>		
Biofil Chemicals & Pharmaceuticals Ltd.		
973200 Eq. Sh. Of Rs. 10/-Each Fully paid up	16750250	
Less:		
Sold during the year		
973200 Equity Shares of Rs. 10/- each Fully paid up	<u>16750250</u>	0
		16750250
<u>Unquoted</u>		
<u>Wholly Owned Subsidiary</u>		
Systematix Fincorp India Limited		
1674845 Equity Shares of Rs 10/-each fully paid up	142758450	142758450
<u>Others</u>		
Systematix Shares & Stocks (I) Ltd.	55300000	55300000
769000 Equity Shares of. Rs. 10/- each fully paid up		
<u>Total</u>	<u>198058450</u>	<u>214808700</u>
<u>Notes:</u>	<u>Cost</u>	<u>Market value</u>
Aggregate amount of		
Unquoted Investments	198058450	
<u>SCHEDULE 07</u>		
<u>Sundry debtors</u>		
Unsecured Considered Good		
Exceeding Six months	7472220	27540
Other debts	49470	7671479
<u>Total</u>	<u>7521690</u>	<u>7699019</u>
<u>SCHEDULE 08</u>		
<u>Cash & Bank Balances</u>		
<u>Cash Balance</u>		
Cash in hand	0	64150
<u>Balance with Banks</u>		
Balance with Scheduled Bank		
- in Current Accounts	456349	472688
<u>Total</u>	<u>456349</u>	<u>536838</u>
<u>SCHEDULE 9</u>		
<u>Loans Advances & Deposits</u>		
Advances recoverable in cash or in kind or value to be recd.		
Unsecured Considered Good		
Deposits	2723000	1843000
Tax Payment Pending Adjustments	1216079	727885
Inter Corporate Deposits	19030211	27147570
Others	5968776	6095744
<u>Total</u>	<u>28938066</u>	<u>35814199</u>

PARTICULARS	As on 31.03.2009	As on 31.03.2008
Schedule 10		
Current Liabilities		
Sundry Creditors		
-Total outstanding dues To Micro Enterprises and Small enterprise	0	0
-Total outstanding dues of Creditors other than Micro Enterprises and Small enterprise	11292789	11304586
Total	11292789	11304586
SCHEDULE 11		
Income from Operation		
Financial Advisory Services	1549750	9675000
Total	1549750	9675000
SCHEDULE 12		
Other Income		
Intrest	1449587	2720442
Dividend	163874	230700
Others	0	2000
Total	1613461	2953142
SCHEDULE 13		
Employees Cost		
Salaries Bonus& Allowance	1398397	1465299
Staff Welfare	6515	14440
Total	1404912	1479739
SCHEDULE 14		
ADMINISTRATIVE EXPENSES		
Rent	2107275	368919
Rates & Taxes	53830	756600
Electricity Charges	181242	1240
Travelling & Conveyance	83741	958821
Repairs & maintenance	0	196277
Postage, Telephone & Trunk calls	104331	450896
Printing & Stationery	38616	27021
Professional & Consultancy	386946	810393
Insurance Charges	87125	155992
Auditors Remuneration	36371	30000
Commission /Brokerage	100000	0
Listing Fee	81448	15000
Other Expenses	168775	293963
Total	3429700	4065122

SCHEDULE 15

Notes forming part of the Balance Sheet as at 31st March 2009 and Profit and Loss account for the year ended 31st March 2009.

I. SIGNIFICANT ACCOUNTING POLICIES**A) General**

The accounts have been prepared using historical Cost Convention and on the basis of Going Concern, with revenues recognized, expenses accounted on accrual basis, unless otherwise stated and in accordance with the Applicable Accounting standards.

B) Fixed Assets

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

C) Depreciation

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

D) Investments

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

E) Revenue and Expenditure Recognition

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

Income is recognized on Work Completed and billed on Customers.

F) Retirement Benefits

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

G) Taxes on Income

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

II) NOTES ON ACCOUNTS**1) Share Capital and share warrants**

During the year 2007-08 the company issued 40 00 000 equity shares of Rs 10/-each on Preferential basis at a premium of Rs 20 per/- share as per SEBI Guidelines.

The Company also allotted 76 21 200 share warrants at a price of Rs 30/- per warrant on Preferential basis as per SEBI Guidelines. These warrants are convertible in to 1 fully paid equity share of Rs 10/- each at a premium of Rs 20/- amounting to Rs 22 86 36 000 any time between September 2007 to March 2009 against which 10% of the value has been received 31st March 2008.

76 21 200 share warrants are forfeited due to non receipt of balance subscription and exercise of option before the due dates. Accordingly, the upfront subscription on allotment of warrants are forfeited and credited to Capital Reserve.

2) Capital Reserve

Represents amounts forfeited due to non subscription of Share Warrants on due dates

3) Sundry debtors include:

- i) Amount due from Private Companies in which one or more directors of the Company are interested.
- Superstar Exports Private Limited Rs 74 72 220
- (Maximum due anytime during the Year) Rs 74 72 220

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

	Rs in lakhs	
	31.03.2009	31.03.2008
	9480	7870

5) Auditors Remuneration:

i) Audit	36 371	30 000
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6) a) Managerial remuneration under section 198 Of the Companies Act,1956

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

	Rs in lakhs	
	31.03.2009	31.03.2008
C.P.Khandelwal, Managing Director	11 60 000	12 00 000
D. Ravichander Babu	0	6 00 000
Ramesh Raizada	3 75 000	0

b) Computation of Net profit in accordance

With section 198 and 309 of the Companies, Act 1956,

Particulars	2008-09	2007-08
Net Profit / (Loss) before taxation	(2 06 95 152)	38 81 058
Add:		
Remuneration to whole time Directors	15 35 000	18 00 000
Net profit U/S 198 of the Companies Act, 1956	(2 22 30 152)	56 81 058

7) Basic & Diluted Earnings per share:

Particulars	2008-09	2007-08
Net Profit attributable to equity share holders	(2 06 95 152)	25 78 059
Weighted Average of Equity shares	1 26 81 355 (Face value of Rs 10 / each)	63 07 353 (Face value of Rs 10 / each)
Basic Earnings Per Share	(1.63)	0.41
Weighted Number of equity shares outstanding for Diluted EPS	1 26 81 355 (face value of Rs 10 / each)	1 01 70 153 (face value of Rs 10 / each)
Diluted Earnings Per share	(1.63)	0.25

8) Related Party Transactions:

I) Names of Transacting Related Parties

A) Associate and Group Companies

- Systematix Shares & Stocks (I) Limited
- Systematix Capital Services Private Limited
- Systematix Commodities & Services Private Limited
- CEEPEEK Real Estate Limited
- Rangsharda Properties Private Limited
- Shubhamangalam Real Estate Limited
- Snehavardhini Real Estate Limited
- Tek Point Properties Private Limited
- Funsign Real Estate Limited
- Superstar Exports Private Limited.
- Topcity Trading Company Private Limited

- Riteplaza Trading Company Private Limited
- Magicline Trading Company Private Limited
- Goldflag Exports Private Limited
- Goldline Trading Company Private Limited
- Thirdwave Mercantile Company Private Limited
- SQL Star International Limited
- I Power Solutions Limited
- Shivsakthi Real Estate Limited
- Systematix Fincorp India Limited
- Southern Wind Farms Limited

Entities where Control Exists

- Mahesh C. Solanki & Co.

Key Managerial Personnel

- Mr. C.P.Khandelwal
- Mr. Ramesh Raizada

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

III) Transaction detail

Name of the Related party	Description of Transaction and amount during the year		Amount outstanding
		Rs in lakhs	
Shivsakthi Real Estate Limited	Rent paid	0.50	
Superstar Exports Limited			(DR) 143.67
			(DR) 74.72
Topcity trading Company Private Limited			(CR) 1.35
Riteplaza trading Company Private Limited			(CR) 24.12
Systematix Capital Services Private Limited			(DR) 46.63
Mahesh C Solanki & Co	Professional Fees	1.17	(DR) 0.03
Mr. C. P. Khandelwal	Remuneration	11.60	
Mr. Ramesh Raizada	Remuneration	3.75	

9) Previous year figures have been regrouped wherever necessary.

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

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

Vide Our report of date attached
For Maharaj N. R. Suresh and Co.
Chartered Accountants

Sd/-
N.R.SURESH
(Partner)
M.NO 21661

For & On behalf of the Board of Directors

Sd/-
C.P. Khandelwal
(Managing Director)

Sd/-
Sunil Sarda
(Director)

Place: Mumbai
Date : 29.06. 2009

**AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS OF
SYSTEMATIX CORPORATE SERVICES LIMITED**

To
The Board of Directors of
Systematix Corporate Services Limited

- 1) We have audited the attached Consolidated Balance Sheet of Systematix Corporate Services Limited and its subsidiary Systematix Fincorp India Limited as of 31st March, 2009, the consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of Systematix Corporate Services Group. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) We report that the consolidated financial statements have been prepared by the Systematix Corporate Services Group in accordance with the requirements of Accounting Standard (AS 21) Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.
- 4) In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.
 - i) In the case of the Consolidated Balance Sheet, of the state of affairs of the Systematix Corporate Services Ltd Group, as at 31st March 2009
 - ii) In the case of the Consolidated Profit and Loss Account, of the loss of the Systematix Corporate Services Ltd Group for the year ended on that date.
 - iii) In the case of Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

**For Maharaj N R Suresh and Co
Chartered Accountants**

**Place : Mumbai
Date : 29.06.2009**

**Sd/-
N R SURESH
Partner
Membership No:21661**

SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2009

(Amount in Rs.)			
PARTICULARS	Schedule	Consolidated As At 31/03/2009	Consolidated As At 31/03/2008
I. SOURCES OF FUNDS			
1. Shareholders Fund :			
(a) Share Capital	1	125987000	125966000
(b) Share Warrants (Refer 2(II) of Schedule 16)		0	22863600
(c) Reserve & Surplus	2	104993627	102160969
2. Loan Funds			
Secured Loans	3	408955586	297759387
Unsecured Loans	4	42761763	13608537
TOTAL		682697976	562358493
II. APPLICATION OF FUNDS			
1. Fixed Assets:	5		
Gross Block		14602085	14469123
Less : Depreciation		10506871	9734578
		4095214	4734545
2. Investment :	6	55300000	72050250
3. Current Assets, Loans And Advances			
(a) Sundry Debtors	7	7521690	7699019
(b) Cash & Bank Balance	8	1554214	1858189
(c) Loans, Advances & Deposits	9	633535558	490296302
		642611462	499853510
Less: Current Liabilities & Provisions			
(a) Current Liabilities	10	19343900	14315012
		19343900	14315012
Net Current Assets		623267562	485538498
4 Deferred Tax		35200	35200
Total		682697976	562358493

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

Vide Our report of date attached

For Maharaj N. R. Suresh and Co.
Chartered Accountants

Sd/-
N.R.SURESH
 (Partner)
 M.NO 21661

For & On behalf of the Board of Directors

Sd/-
C.P. Khandelwal
 (Managing Director)

Sd/-
Sunil Sarda
 (Director)

Place: Mumbai
 Date : 29.06.2009

**SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009**

(Amount in Rs.)

PARTICULARS	SCHEDULE	Consolidated As At 31/03/2009	Consolidated As At 31/03/2008
INCOME			
Income from Operations	11	71603380	37915311
Other Income	12	4050297	3052251
TOTAL		75653677	40967562
EXPENDITURE			
Employees Cost	13	13191683	3776521
Director remuneration		1535000	1800000
Administrative Expenses	14	13224985	5929216
Loss on sale of investments		16399898	0
Provision for Non-Performing Assets		1191	0
TOTAL		44352757	11505737
Profit Before Interest and depreciation		31300920	29461825
Interest		50058369	16378928
Depreciation		772293	995949
Profit Before Tax		(19529742)	12086948
Provision for Taxation			
- Current Tax		400000	3640000
- Deferred		0	(107000)
-Fringe Benefit Tax		101200	92000
Profit/(Loss) after Tax		(20030942)	8461948
Income Tax Relating To earlier Year		-	8538
Surplus from Previous Year		16659599	9256189
Appropriations:			
Transfer to Special Reserve		140000	1050000
Balance Carried over to Balance Sheet		(3511343)	16659599
Basic EPS		(1.58)	1.34
Diluted EPS		(1.58)	0.83

*Note: Schedule 11 to 14 and in schedule 15 from part of this profit & loss Account
Vide our report of even date.*

**For Maharaj N. R. Suresh and Co.
Chartered Accountants**

Sd/-
N.R.SURESH
(Partner)
M.NO 21661

For & On behalf of the Board of Directors

Sd/-
C.P. Khandelwal
(Managing Director)

Sd/-
Sunil Sarda
(Director)

Place: Mumbai
Date : 29.06.2009

SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2009
(Amount in Rs.)

PARTICULARS	Consolidated As At 31/03/2009	Consolidated As At 31/03/2008
<u>SCHEDULE 1</u>		
<u>SHARE CAPITAL</u>		
<u>AUTHORIZED :</u>		
2,50,00,000 Equity Shares of Rs.10/- each	250000000	250000000
<u>Issued and Subscribed:</u>		
126 78 800 Equity Shares of Rs.10/-each	126788000	126788000
<u>Paid Up:</u>		
1 26 78 800 Equity Shares of Rs.10/- each fully paid up	126788000	126788000
Less:- Calls unpaid (Other than Directors)	801000	822000
Total	125987000	125966000
<u>SCHEDULE 2</u>		
<u>RESERVES & SURPLUS</u>		
<u>Capital Reserve :</u>		
Additions during the Year (Refer Note 3(II) in Schedule 15)	22863600	0
<u>Share Premium</u>		
As per last balance sheet	80000000	80000000
<u>General Reserve</u>		
As per last balance sheet	4446757	4446757
<u>Special Reserve</u>		
Opening Balance	1054613	
Add: Transfer from Profit & Loss Account	140000	
<u>Surplus in Profit & Loss Account</u>	1194613	1054613
	(3511343)	16659599
Total	104993627	102160969
<u>SCHEDULE 3</u>		
<u>SECURED LOAN</u>		
From Others	408955586	297245816
Hire Purchase	0	513571
Total	408955586	297759387
<u>SCHEDULE 4</u>		
<u>UNSECURED LOANS</u>		
From Banks	0	0
From Companies	42761763	13608537
Total	42761763	13608537

CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2009

PARTICULARS	Consolidated As At 31/03/2009	Consolidated As At 31/03/2008
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SCHEDULE 05
FIXED ASSETS

SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2009

(Amount in Rs.)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 1.4.2008	Additions during the Year	Deductions during the Year	Cost as at 31.3.2009	As at 1.4.2008	For the year	Written Back	Total	As at 31.3.2009	As at 31.3.2008
Office Equipments	1225740	0	0	1225740	1026764	58223	0	1084987	140753	198976
Furniture & Fixtures	5767741	132962	0	5900703	3454603	365121	0	3819724	2080979	2313138
Computer	2784076	0	0	2784076	2660690	4552	0	2665242	118834	123386
EPABX	237732	0	0	237732	235462	0	0	235462	2270	2270
Air Conditioner	828595	0	0	828595	769421	0	0	769421	59174	59174
Vehicle	3625239	0	0	3625239	1587638	344397	0	1932035	1693204	2037601
Total	14469123	132962	0	14602085	9734578	772293	0	10506871	4095214	4734545
Previous Year	12022659	2446464	0	14469123	8738629	995949	0	9734578	4734545	3284032

SCHEDULE 06
INVESTMENTS :

Investments in Equity Shares

Quoted :

Biofil Chemicals & Pharmaceuticals Ltd.

973200 Eq. Sh. Of Rs. 10/-Each Fully paid up 16750250

Less:

Sold during the year

973200 Equity Shares of Rs. 10/- each Fully paid up 16750250 0 16750250

Others

Systematix Shares & Stocks (I) Ltd.

55300000 55300000

769000 Equity Shares of. Rs. 10/- each fully paid up

Total 55300000 72050250

Notes:

Aggregate amount of

Unquoted Investments

Cost **Market value**

55300000 0

SCHEDULE 07
SUNDRY DEBTORS :

Unsecured Considered Good

Exceeding Six months

Other debts

7472220 27540

49470 7671479

Total 7521690 7699019

SCHEDULE 08
Cash & Bank Balances

Cash in hand

875596 943405

BANK BALANCES:

Balance with Scheduled Bank

- in Current Accounts

678618 914784

Total 1554214 1858189

CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2009

PARTICULARS	Consolidated As At 31/03/2009	Consolidated As At 31/03/2008
SCHEDULE 9		
Loans Advances & Deposits		
Advances recoverable in cash or in kind or value to be recd.		
STANDARD ASSETS		
SECURED CONSIDERED GOOD		
Loans Against Shares	448046259	311636640
SUB-STANDARD ASSETS		
Non performing assets	11908	
Less:		
Provision for NPA	1191	10717
UNSECURED CONSIDERED GOOD		
Deposits	2723000	1843000
Tax Payment Pending Adjustments	10756500	1560125
Inter Corporate Deposits	109023567	167261024
Others	62975516	7995513
Total	633535558	490296302
Schedule 10		
Sundry Creditors		
-Total outstanding dues To Micro Enterprises and Small enterprises	0	0
-Total outstanding dues of Creditors other than Micro Enterprises and Small enterprises	19343900	14315012
Total	19343900	14315012
SCHEDULE 11		
Income from Operation		
Financial Advisory Services	1549750	9675000
Interest Income	69973030	28073711
(Tax Deducted at Source Rs.7751594/- Previous Year - Rs.3127540/-)		
Registration charges	80600	166600
Total	71603380	37915311
SCHEDULE 12		
Other Income		
Interest	1449587	2720442
Dividend	1013664	230700
Income from Mutual Funds	231730	0
Referral Fee	1312000	99109
Others	43316	2000
Total	4050297	3052251
SCHEDULE 13		
Employees Cost		
Salaries Bonus& Allowance	13185168	3762081
Staff Welfare	6515	14440
Total	13191683	3776521
SCHEDULE 14		
ADMINISTRATIVE EXPENSES		
Rent	2792191	368919

CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2009

PARTICULARS	Consolidated As At 31/03/2009	Consolidated As At 31/03/2008
Rates & Taxes	67830	756600
Stamping Charges	80349	533900
Travelling & Conveyance	409725	1056770
Postage, Telephone & Internet expenses	2770320	450896
Professional&Consultancy	1135496	996521
Custodian Charges	585409	425744
Insurance Charges	87125	155992
Auditors Remuneration	69371	63708
Other Expenses	1909206	922650
Commission/Brokerage	100000	0
Electricity expenses	3217963	1240
Repairs & Maintenance	0	196277
Total	13224985	5929216

SCHEDULE-15

Notes forming part of the Consolidated Balance Sheet as at 31st March 2009 and Consolidated Profit and Loss account for the year ended 31st March 2009.

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.

B) Fixed Assets

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

C) Depreciation

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

D) Investments

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

E) Revenue and Expenditure Recognition

- Income is recognized on Work Completed and billed on Customers.
- Interest Income is accounted on the time Proportionate basis as per the agreed terms.
- Interest income on non-performing assets is recognized on cash basis.
- Dividend Income is recognized on receipt basis.
- In Respect of Other heads of Income, the Company accounts the same on accrual basis

F) Retirement Benefits

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

G) Taxes on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income tax Act, 1961. Deferred tax is recognized, on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one more subsequent period.

H) 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.

I) NOTES ON ACCOUNTS

1) Principles and Assumptions

- a) The consolidated financial statements have been prepared applying the principles laid in the Accounting Standard (AS-21) Consolidated Financial Statements as per sub section (3C) of Section 211 of the Companies Act, 1956.
- b) Principles used in preparing Consolidated Financial Statements
 - i) In preparing consolidated financial statements, the financial statements of the parent and its subsidiary is combined on a line by line basis by adding together like items of assets, liabilities, income and expenses.
 - ii) The cost to the parent of its investment in a subsidiary and the parent's portion of equity of subsidiary, at the date on which investment in subsidiary is made, is eliminated.
- c) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances.

2) Share Capital and share warrants

During the year 2007-08 the company has issued 40 00 000 equity shares of Rs 10/-each on Preferential basis at a premium of Rs 20 per/-share as per SEBI Guidelines.

The Company has also allotted 76 21 200 share warrants at a price of Rs 30 per warrant on Preferential basis as per SEBI Guidelines. These warrants are convertible in to 1 fully paid equity share of Rs. 10/-each at a premium of Rs 20 amounting to Rs 22 86 36 000 any time between September 2007 to March 2009 against which 10% of the value has been received 31st March 2008.

These 76 21 200 share warrants were forfeited for failure on receipt of balance subscription and exercise of option before the due dates. Accordingly, the upfront subscription on allotment of warrants is forfeited and credited to Capital Reserve.

3) Capital Reserve:

Represents amounts forfeited due to non subscription of Share Warrants on due dates

4) Sundry debtors include:

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

Superstar Exports Private Limited	Rs 74 72 220
(Maximum due anytime during the Year)	Rs 74 72 220

	Rs in lakhs	
	31.03.2009	31.03.2008

5) Contingent Liabilities:

Contingent Liabilities on account of		
Guarantee given to banks for group Companies	94 80	78 70

6) Auditors Remuneration :

	Amount in Rs.	
ii) Statutory Audit	69 371	60 000
iii) Service Tax Reimbursement	0	3 399

7) Basic & Diluted Earnings per share :

Particulars	2008-09	2007-08
Net Profit/(Loss) attributable to equity share holders	(2 00 30 942)	84 61 948
Weighted Average of Equity shares	1 26 81 355 (face value of Rs.10/- each)	63 07 353 (face value of Rs.10/- each)
Basic Earnings Per Share	(1.58)	1.34
Weighted Average of Equity shares	1 26 81 355 (face value of Rs.10/- each)	1 01 70 153 (face value of Rs.10/- each)
Diluted Earnings Per Share	(1.58)	0.83

- 8) Transfer to Deferred Tax is mainly on account of difference in charging depreciation prescribed under the Companies Act, 1956, and allowable under the Income Tax Act, 1961.

9) Related Party Transactions :
I) Name of Transacting Related Parties
A) Associate and Group Companies

- Systematix Shares & stocks (I) Limited
- Systematix Capital Services Private Limited
- Systematix Commodities Services Private Limited
- CEEPEEK Real Estate Limited
- Rangsharda Properties Private Limited
- Shubhamangalam Real Estate Limited
- Snehavardhini Real Estate Limited
- Tek Point Properties Private Limited
- Funsign Real Estate Limited
- Superstar Exports Private Limited.
- Topcity Trading Company Private Limited
- Riteplaza Trading Company Private Limited
- Magicline Trading Company Private Limited
- Goldflag Exports Private Limited
- Goldline Trading Company Private Limited
- Thirdwave Merchantile Company Private Limited
- SQL Star International Limited
- I Power Solutions Limited
- Goldfin Capital Private Limited
- Shivsakthi Realestate Limited

Entities where Control Exists

- Mahesh C Solanki & Co.

Key Managerial Personnel

Mr. C.P. Khandelwal
Mr. Ramesh Raizada

- II) A description of the relationship between related parties : Presumption of Significant influence.
 III) Transaction detail

Name of the Related party	Description of Transaction and amount during the year	Amount outstanding
	Rs in lakhs	
Shivsakthi Real Estate Limited	Rent paid	0.50
Superstar Exports Limited		(DR) 143.67 (DR) 74.72
Topcity trading Company private Limited		(CR) 13.58
Riteplaza trading Company Private Limited		(CR) 24.12
Systematix Capital Services Private Limited		(DR) 46.63
Mahesh C Solanki & co	Professional Fees	1.17 (DR) 0.03
Mr.C.P.Khandelwal	Remuneration	11.60
Mr.Ramesh Raizada	Remuneration	3.75

12) Segment Information

PARTICULARS	YEAR ENDED 31.03.2009 Rs In Lakhs	YEAR ENDED 31.03.2008 Rs In Lakhs
1. Segment revenue		
a) Merchant banking & Related Activities	15.50	96.75
b) Financial Activity	700.53	282.40
c) Unallocated	40.50	30.52
Total		
Less :	756.53	409.67
Inter Segment Revenue	-	-
Net income from Operations	756.53	409.67
2. Segment Results Profit before tax and Interest from each segment		
a) Merchant banking & Related Activities	(196.06)	42.88
b) Financial Activity	501.34	241.77
Total	305.28	284.65
Less :		
i) Interest	500.58	163.78
Total profit before Tax & Extra ordinary Items	(195.30)	120.87
3. Capital Employed		
(Segment Assets-Segment Liabilities)		
a) Merchant banking & Related Activities	849.04	1095.38
b) Financial Activity	5977.99	4528.20
Total	6826.98	5623.58

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.

- 11) Previous year figures have been regrouped wherever necessary.
 12) Paise have been rounded off to the nearest rupee.
 13) Other items required to be disclosed as per Para 4A, 4C & 4D of Part II of Schedule VI of the Companies Act, 1956 Nil.

Vide our report of date attached

For Maharaj N. R. Suresh and Co.
Chartered Accountants

Sd/-
(N.R.SURESH)
Partner
M.NO 21661

For & On behalf of the Board of Directors

Sd/-
C.P. Khandelwal
(Managing Director)

Sd/-
Sunil Sarda
(Director)

SYSTEMATIX CORPORATE SERVICES LTD
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

Particulars	Amount in Rs. 2008-2009
(A) A. CASH FLOW FROM OPERATING ACTIVITIES	
Net Profit before tax and extra ordinary items	(19,529,742.09)
Adjustments for : -	
1 Depreciation	772,293.42
2 Foreign Exchange/Dep. Investments	-
3 Investments Extraordinary items (Net Investments Loss)	-
4 Preliminary, Public Issue	-
5 Lease Equilisation	-
6 Interest/Dividend Received	(2,463,251.36)
7 Loss (Profit) on Sale of Investments	16,399,898.00
Operating profit before working capital changes	(4,820,802.03)
Adjustments for : -	
1 Trade and other receivables	(143,563,128.28)
2 Inventories	-
3 Trade Payable Net of Lease Terminal Adj. A/c	5,028,888.60
Cash Generated from operation	(143,355,041.71)
1 Interest Paid	321,135.00
Cash Flow Before extraordinary items	(143,033,906.71)
1 Extraordinary items Net Cash from/(Used) in operating activities	(143,033,906.71)
B CASH FLOW FROM INVESTING ACTIVITIES	
1 Purchase of fixed assets	(132,962.00)
2 Sale of Fixed Assets	-
3 Acquisitions of Companies	-
4 Purchase of Investments and increase in share application money	-
5 Sale of Investments and decrease in share application money	350,352.00
6 Interest received	1,449,587.00
7 Repayment of Loan	-
9 Dividend Received	1,013,664.36
10 Preliminary Exp. Incurred	-
Net Cash from/(Used) in Investing activities	2,680,641.36
C CASH FLOW FROM FINANCIANG ACTIVITIES	
1 Proceeds from issue of share capital	21,000.00
2 Proceeds from issue of share Warrants	-
3 Proceeds from long and short term borrowings	140,349,425.00
4 Repayment of finance lease liabilities	-
5 Interest Paid	(321,135.00)
6 Dividend paid	-
Net Cash from Financing activities	140,049,290.00
Net increase in Cash and Cash equivalents (A+B+C)	(303,975.35)
Cash and Cash equivalents as (Opening Balance)	1,858,189.40
Cash and Cash equivalents as (Closing Balance)	1,554,214.05

For Maharaj N. R. Suresh and Co.
Chartered Accountants

Sd/-
(N.R.SURESH)
Partner
M.NO 21661

By order of the Board
For Systematix Corporate Services Ltd.

Sd/- Sd/-
C.P. Khandelwal Mahesh Solanki
(Managing Director) (Director)

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES**

S. No.	Particulars	
1.	NAME OF THE SUBSIDIARY COMPANY	SYSTEMATIX FINCORP INDIA LIMITED
2.	NO OF SHARE HELD IN THE COMPANY	16 74 845 EQUITY SHARES OF RS 10/EACH FULLY PAID -UP
3.	PERCENTAGE OF HOLDING IN THE SUBSIDIARY COMPANY	100%
4.	NET AGGREGATE AMOUNT OF THE PROFITS OF THE SUBSIDIARY COMPANY SO FAR AS THEY CONCERN THE MEMBERS OF THE HOLDING COMPANY VIZ SYSTEMATIX CORPORATE SERVICES LIMITED A) DEALT WITH IN THE ACCOUNTS OF SYSTEMATIX CORPORATE SERVICES LIMITED FOR THE YEAR ENDED 31.03.2008 A) NOT DEALT WITH IN THE ACCOUNT OF SYSTEMATIX CORPORATE SERVICES LIMITED FOR THE YEAR ENDED 31.03.2009	 NIL RS 51 49 330

Vide our report of date attached

**For Maharaj N. R. Suresh and Co.
Chartered Accountants**

Sd/-
(N.R.SURESH)
Partner
M.NO 21661

For & On behalf of the Board of Directors

Sd/-
C.P. Khandelwal
(Managing Director)

Sd/-
Sunil Sarda
(Director)

Place: Mumbai
Date : 29.06. 2009

SYSTEMATIX FINCORP INDIA LIMITED

DIRECTORS' REPORT

The Members of

Systematix Fincorp India Ltd.

Your Directors have pleasure to present their 14th Annual Report on the Business and operations of the company along with the Audited Balance sheet as on 31st March, 2009 and Profit & Loss Account for the year ended on that date.

FINANCIAL RESULTS PERFORMANCE:

(Amount in Rs.)

Particulars	For the year ended 31-03-2009	For the year ended 31-03-2008
Total Income	72490466	28929570
Total Expenditure	21583247	5477048
Profit before Interest, Depreciation and Tax	50907219	23452522
Less: Depreciation	4575	1138
Less: Interest and Finance Charges	49737234	15971516
Net Profit before Tax and Provision	1165410	7479868
Less: Provision For Tax	466200	2322000
Adjustment for earlier year/tax for earlier years	-	8538
Profit \ (Loss) After Tax	699211	5149330
Proposed Dividend	Nil	Nil
Balance brought forward	4117780	18450
Transfer to Special Reserve Fund	140000	1050000
Balance Carried to Balance sheet	4676991	4117780

DIVIDEND :

In view of requirement of funds for further expansion, your Directors do not recommend any dividend for the year under review.

DIRECTORS:

During the year under review, there were no changes in the directorship of the company.

PARTICULARS OF EMPLOYEES:

The Company does not have any employee drawing remuneration attracting the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1988.

DEPOSITS:

The company has neither invited nor accepted any deposits from the public within the meaning of section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975. Hence, no information is required to be furnished in respect of outstanding deposits.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

As the Company is operating in service and entertainment areas, the provisions of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in Report of the Board of Directors) Rules, 1988 are not applicable to it. There was no foreign exchange earnings and outgo during the year under review.

DIRECTOR'S RESPONSIBILITY STATEMENT :

In accordance with the provisions of section 217(2AA) of the Companies Act, 1956, your directors confirm that:

- (i) In the preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (ii) They have 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 state of affairs of the company as at the end of 31st March 2009 and of the profit of the company for the year ended on that date;
- (iii) They had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) The annual accounts of the company have been prepared on a going concern basis.

AUDITORS' REPORT:

The auditors' reports together with the notes thereto are self-explanatory. There being no adverse remark or qualifications in the Auditors' Report, your Directors do not offer any comment and explanation.

AUDITORS:

The auditors of the company M/s. Maharaj N.R. Suresh & Co., Chartered Accountants, Mumbai retire at the conclusion of the forthcoming Annual General Meeting of the company and being eligible offers themselves for re-appointment. The company has received a Certificate from them to the effect that in case of their re-appointment, their appointment will be within the limits as mentioned in Section 224(1B) of the Companies Act 1956. Your Directors recommend to re-appoint M/s. Maharaj N.R. Suresh & Co., Chartered Accountants as auditors of the company.

COMPLIANCE CERTIFICATE :

The Compliance Certificate for the year 2008-09 given by Ms. Kothari & Associates is attached herewith forming part of this report. The report is self explanatory and need no comments.

Ms. Kothari & Associates will hold office up to the conclusion of the forthcoming Annual General Meeting. Your Directors recommends appointing her for giving Compliance Certificate for the financial year 2009-10.

ACKNOWLEDGEMENT:

The Board wishes to thank its customers, members, banks, suppliers, employees, government authorities and all stakeholders for their continuous support and co-operation.

For and on Behalf of Board
Systematix Fincorp India Limited

Sd/-
C.P. Khandelwal
(Director)

Sd/-
Sunil Sarda
(Director)

Place : Mumbai
Date : 29-06-2009

**AUDITOR'S REPORT TO THE MEMBERS OF
M/S SYSTEMATIX FINCORP INDIA LIMITED**

1. We have audited the attached Balance Sheet of M/s Systematix Fincorp India Limited as at 31st March 2009, the Profit And Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of Such Books.
 - (iii) The Balance Sheet, and Profit and Loss account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet, Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009
 - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - (c) In the case of Cash Flow statement, of the cash flows for the year ended on that date.

**For Maharaj N. R. Suresh & Co.
Chartered Accountants**

Sd/-

N. R. SURESH
Partner
M.No : 21661

Place : Mumbai
Date : 29.06.2009

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

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the management at reasonable intervals which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) No substantial part of fixed assets have been disposed off during the year.
- (ii) According to the information and explanations given to us, and having regard to the Company's business the question of reporting on clause 4 (ii) a, 4 (ii) b, 4 (ii) c (relating to Inventory) of the Companies (Auditors report) order, 2003 as amended by Companies (Auditors Report) (amendment) order 2004, does not arise.
- (iii) (a) The company has granted unsecured loan to one company covered in the register maintained under section 301 of the companies Act, 1956. The amount outstanding at the end of the year is Rs 9.00 Crores including interest of Rs 96.77 Lakhs
- (b) In our opinion, the rate of interest and other terms and conditions of the said unsecured loan given by the company are not, prima facie prejudicial to the interests of the company.
- (c) Payment of Principal and Interest are in accordance with the terms
- (e) The company has taken unsecured loan aggregating to Rs. 3.37 Crores from one company covered in the register maintained under section 301 of the companies Act, 1956. The amount outstanding at the end of the year is Rs 3.37 Crores including interest of Rs 2.60 Lakhs
- (f) In our opinion, the rate of interest and other terms and conditions of the said unsecured loan taken by the company are not, prima facie prejudicial to the interests of the company.
- (g) Payment of Principal and Interest are in accordance with the terms
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchases of fixed assets and with regard to sale of Services. The Company has not made any sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) The particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under that section.
- (b) The transactions made in Pursuance of such contracts or arrangements have been made at prices which are reasonable, having regard to the prevailing Market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the Public.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) As per the explanation and information given to us, the company is not required to maintain cost records pursuant to Section 209 (1) of the Companies Act. Accordingly the clause 4 (viii) of the order is not applicable to the company.
- (ix) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, and other material statutory dues applicable to it. The provisions of Provident Fund, Employees' State Insurance Act are not applicable to the Company. No amount is payable to Investor Education Protection Fund.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty, Service Tax and cess were in arrears, as at 31st March 2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of Sale Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax and cess, which have not been deposited on account of any dispute
- (x) The Company does not have accumulated losses. Also The Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to bank. The Company has not obtained any borrowings from any Financial Institution or by way of debentures.
- (xii) In cases where the Company has granted loans and advances on the basis of security by way of Pledge of share adequate documents and records are maintained by the company.
- (xiii) The company is not a chit fund or a nidhi / mutual benefit fund / society.

- (xiv) The Company is not dealing or trading in shares & securities.
- (xv) The company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year and according to clause 4 (xvi) of the order relating to the application of term loan is not applicable to the company.
- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) The company has not made any preferential allotment of Equity shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- (xix) The Company has no outstanding debenture at the end of the year.
- (xx) The company has not raised money by public issues during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For Maharaj N. R. Suresh & Co.
Chartered Accountants**

Sd/-

**N. R. SURESH
Partner
M.No : 21661**

**Place : Mumbai
Date : 29.06.2009**

SYSTEMATIX FINCORP INDIA LIMITED
BALANCE SHEET AS AT 31ST MARCH 2009

(Amount in Rs.)

PARTICULARS	Schedule	As At 31/03/2009	As At 31/03/2008
I. SOURCES OF FUNDS			
1. Shareholders Fund :			
A) Share Capital	1	16758450	16758450
B) Reserves&Surplus	2	131871605	131172393
2. Loan Funds			
A) Secured Loans	3	408955586	297245816
B) Unsecured Loans	4	40213935	7643309
TOTAL		597799576	452819968
II. APPLICATION OF FUNDS			
1. Fixed Assets:	5		
Gross Block		161042	28080
Less : Depreciation		5713	1138
Net Block		155329	26942
2. Investments	6	0	0
3. Current Assets, Loans & Advances			
A) Cash And Bank Balances	7	1097865	1321351
B) Loans And Advances	8	604597493	454482103
		605695358	455803454
Less : Current Liabilities & Provisions			
A) Current Liabilities	9	8051111	3010427
		8051111	3010427
Net Current Assetss		597644247	452793026
TOTAL		597799576	452819968

Note: Schedule 1 to 9 and Notes in Schedule 14 form part of this Balanchsheet

Vide our report of date attached
For Maharaj N. R. Suresh and Co.
Chartered Accountants

Sd/-
(N.R.SURESH)
Partner
M.NO 21661

For & On behalf of the Board of Directors

Sd/-
C.P. Khandelwal
(Managing Director)

Sd/-
Sunil Sarda
(Director)

Place: Mumbai
Date : 29.06. 2009

SYSTEMATIX FINCORP INDIA LIMITED
PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2009 (Amount in Rs.)

PARTICULARS	Schedule	Year Ended 31/03/2009	Year Ended 31/03/2008
INCOME			
Income From Operations	10	70053630	28787862
Other Income	11	2436836	141708
		72490466	28929570
EXPENDITURE			
Employees Cost	12	11786771	2995783
Other Expenses	13	9795285	2481265
Provision for Non-Performing Assets		1191	
		21583247	5477048
Profit Before Interest And Depreciation		50907219	23452522
Interest And Finance Charges		49737234	15971516
Profit Before Depreciation		1169986	7481006
Depreciation		4575	1138
Profit Before Tax		1165411	7479868
Provision for			
- Current Tax		400000	2320000
- Fringe Benefit Tax		66200	2000
Income Tax Relating To Earlier Year		0	8538
Profit After Tax		699211	5149330
Appropriations			
Transfer To:			
Special Reserve		140000	1050000
Surplus From Previous Year		4117780	18450
Balance Carried Forward		4676991	4117780
Basic And Diluted Earning Per Share		0.42	5.56

Note: Schedule 10 to 13 and in schedule 14 from part of this profit & loss Account.

For Maharaj N. R. Suresh & Co.
Chartered Accountants

Sd/-
(N.R.SURESH)
Partner
M.NO 21661

For & On behalf of the Board of Directors

Sd/-
C.P. Khandelwal
(Managing Director)

Sd/-
Sunil Sarda
(Director)

Place: Mumbai
Date : 29.06. 2009

SYSTEMATIX FINCORP INDIA LIMITED
SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH 2009

(Amount in Rs.)

PARTICULARS	AS ON 31.03.2009	AS ON 31.03.2008
<u>SCHEDULE 1</u>		
<u>SHARE CAPITAL</u>		
AUTHORIZED :		
5000000 Equity Shares of Rs 10/- Each	50000000	50000000
	50000000	50000000
ISSUED SUBSCRIBED AND PAID UP		
16 75 845 Equity Shares of Rs 10/-Each	16758450	16758450
	16758450	16758450

SCHEDULE 2
RESERVES & SURPLUS

SHARE PREMIUM			
As Per Last Balance Sheet		126000000	126000000
SPECIAL RESERVE			
Opening Balance	1054613		
Add:			
Transfer From Profit & Loss Account	140000	1194613	1054613
SURPLUS			
Balance In Profit And Loss A/C		4676991	4117780
		131871604	131172393

SCHEDULE 3
SECURED LOAN

From Others	408955586	297245816
(See Note 2(a))	408955586	297245816

SCHEDULE 4
UNSECURED LOANS

From Others		
Inter Corporate Loans	40213935	7643309
	40213935	7643309

SCHEDULE 05
FIXED ASSETS

SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2009

(Amount in Rs.)

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as at 1.4.2008	Additions during the Year	Deductions during the Year	Cost as at 31.3.2009	As at 1.4.2008	For the year	Written Back	Total As At 31.03.2009	As at 31.3.2009	As at 31.3.2008
Computer	28080	0	0	28080	1138	4552	0	5690	22390	22390
Furniture & Fixtures	0	132962	0	132962	0	23	0	23	132939	0
Total	28080	132962	0	161042	1138	4575	0	5713	155329	22390
Previous Year	-	28080	0	28080	0	1138	0	1138	26942	0

SYSTEMATIX FINCORP INDIA LIMITED
PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2009

(Amount in Rs.)

PARTICULARS	AS ON 31.03.2009	AS ON 31.03.2008
SCHEDULE 6		
INVESTMENTS		
CURRENT INVESTMENTS		
Non-Trade-Unquoted		
	Units	Amount
Growth Fund		
Canara Robeco Liquid Fund (Growzth)		
Opening Balance	0	0
Add : Purchased during the year	2863370 309	45031997.62
Less : Redemption during the year-	2863370.31	-45182496.36
		0
		0
IDFC Money Manager Fund		
Opening Balance	0	0
Add : Purchased during the year	716954.557	9926522.62
Less : Redemption during the year	-716954.557	-10007753.57
		0
		0
Liquid Fund		
BIRLA SUN LIFE SAVINGS FUND - INSTL - DAILY DIVIDEND		
Opening Balance	0	0
Add : Purchased during the year	3997281 848	40000000
Add : Dividend Income	8855.352	88613.74
Less : Redemption during the year	-4006137.2	-40088613.74
		0
		0
BIRLA SUN LIFE CASH PLUS - INSTL - DAILY DIVIDEND		
Opening Balance	0	0
Add : Purchased during the year	2777186.34	30000000
Add : Dividend Income	3135.276	33868.19
Less : Redemption during the year	-2780321.616	-30033868.19
		0
		0
CANARA ROBECO LIQUID FUND - INSTITUTIONAL DAILY DIVIDEND REINVEST		
Opening Balance	0	0
Add : Purchased during the year	8465292.302	85000000
Add : Dividend Income	20938.492	210243.41
Less : Redemption during the year-	8486230 794	-85210243 41
		0
		0
IDFC LIQUID FUND - PLAN A DAILY DIVIDEND		
Opening Balance	0	0
Add : Purchased during the year	74984.253	75000000
Add : Dividend Income	11.024	11026.01
Less : Redemption during the year	-74995.277	-75011026.01
		0
		0
IDFC MONEY MANAGER FUND - TREASURY PLAN - DAILY DIV		
Opening Balance	0	0
Add : Purchased during the year	12900925.13	129911026
Add : Dividend Income	14854 539	149583.71
Less : Pedemption during the year	-12915779.67	-130060609.7
		0
		0
RELIANCE LIQUID FUND-TREASURY PLAN-DAILY DIVIDEND OPTION		
Opening Balance	0	0

SYSTEMATIX FINCORP INDIA LIMITED
SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH 2009

(Amount in Rs.)

PARTICULARS			AS ON 31.03.09	AS ON 31.03.08
Add : Purchased during the year	2952252.241	45000000		
Add : Dividend Income	399.133	6083.83		
Less : Pedemption during the year	-2952651 374	-45006083.83	0	0

RELIANCE MEDIUM TERM FUND - DAILY DIVIDEND PLAN

Opening Balance	0	0		
Add : Purchased during the year	2633316.563	45017863.3		
Add : Dividend Income	766.09	19753.83		
Less : Redemption during the year	-2634082 653	-45037617.13	0	0

RELIANCE MONEY MANAGER FUND - RETAIL OPTION - DAILY DIVIDEND PLAN

Opening Balance	0	0		
Add : Purchased during the year	19985.06	20002760 73		
Add : Dividend Income	11.769	11779.45		
Less : Redemption during the year	-19996.829	-20014540 18	0	0

SCHEDULE 07**CASH & BANK BALANCES**

Cash On Hand		875596	879255
Balances With Scheduled Banks			
-In Current Account		222269	442096
		1097865	1321351

SCHEDULE 08**LOANS ADVANCES & DEPOSITS**

Advances Recoverable In Cash Or In Kind Or
For Value To Be Received

STANDARD ASSETS**SECURED CONSIDERED GOOD**

Loan Against Shares		448046259	311636640
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SUB STANDARD ASSETS

Non performing assets	11908		
Less : Provision for NPA	1191	10717	0

UNSECURED CONSIDERED GOOD

Inter Corporate Loan		89993356	140113454
Tax Payment Pending Adjustments		9540421	832240
Others		57006740	1899769
		604597493	454482103

SCHEDULE 09**CURRENT LIABILITIES**

Sundry Creditors		8051111	3010427
		8051111	3010427

SYSTEMATIX FINCORP INDIA LIMITED
SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH 2009

(Amount in Rs.)

PARTICULARS	AS ON 31.03.09	AS ON 31.03.08
Schedule 10		
<u>INCOME FROM OPERATION</u>		
Interest Received	69973030	28621262
(Tax Deducted At Source Rs.7751594/- Previous Year -Rs.3127540)		
Registration Charges	80600	166600
	70053630	28787862
Schedule 11		
<u>OTHER INCOME</u>		
Referral Fee	1312000	139046
Dividend Received	849790	2662
Income From Mutual Funds	231730	0
Others	43316	0
	2436836	141708
SCHEDULE 12		
<u>EMPLOYEES COST</u>		
Salaries	11786771	2995783
	11786771	2995783
SCHEDULE 13		
<u>ADMINISTRATIVE EXPENSES & OTHER EXPENCES</u>		
Rent	684916	0
Rates&Taxes	14000	294000
Electricity expenses	3036721	0
Communication	2055826	0
Printing&Stationery	1175581	578266
Stamping Expenses	80349	704807
Travelling Expenses	325984	97949
Professional & Consultancy Fees	748550	319054
Custodian Charges	585409	425744
Audit Fees	33000	33708
Other Expenses	1054949	27737
	9795285	2481265

SCHEDULE-14

Notes forming part of the Balance Sheet as at 31st March 2009 and Profit and Loss account for the year ended 31st March 2009.

I). Nature of Business

The Company is Non-banking Financial Company registered with the Reserve Bank of India (RBI) under Section 45-IA of the Reserve Bank of India Act, 1934 and Primarily engaged in lending and Related Activities. The Company Received the Certificate of Registration from the RBI on 31st May 2001 enabling the Company to carry on business as a Non-banking Financial Company.

In Accordance with the Provisions of Section 45-IC of the RBI ACT, 1934, the Company has created Reserve Fund & during the year, the Company has Transferred an amount of Rs 1 35 000 to reserve Fund, it being 20% of the Profit after Tax.

II). Significant Accounting Policies**A) General**

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

B) Fixed Assets

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

C) Depreciation

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

D) Investments

- (i) Long Term Investments are valued at cost. Any diminution in the value of long term Investments is charged to Profit and Loss Account, if such a decline is other than temporary in the opinion of the management.
- (ii) Current Investments are valued at lower of cost & fair market value.

E) Revenue and Expenditure Recognition

- Interest Income is accounted on the time Proportionate basis as per the agreed terms.
- Interest income on non-performing assets is recognized on cash basis.
- Dividend Income is recognized on receipt basis.
- In Respect of Other heads of Income, the Company accounts the same on accrual basis.

F) 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 periods.

G) 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.

III) NOTES ON ACCOUNTS

- a) Secured Loan is secured by Securities received from borrowers who have been granted loan against shares by the Company and held in Demat account in the name of the Company and Pledged in favour of Respective lenders.
- b) Confirmation of balances for Loans and advances and Creditor not been obtained therefore the balances under the head loans and advances, sundry Creditors are shown as per books and are subject to reconciliation and Adjustments if any.

c) Auditors Remuneration :

	31.03.2009	31.03.2008
i) Audit	33000	30000
ii) Service Tax Reimbursement	3000	3708
	<u>33 300</u>	<u>33 708</u>

- c) Previous year figures have been regrouped wherever necessary.
d) Paise have been rounded off to the nearest rupee.
e) Other items required to be disclosed as per Para 4, 4A, 4B, 4C&4D of Part II of Schedule VI of the Companies Act, 1956 Nil.

For Maharaj N. R. Suresh & Co.
Chartered Accountants

Sd/-
(N.R.SURESH)
Partner
M.NO 21661

For & On behalf of the Board of Directors

Sd/-
C.P. Khandelwal
(Managing Director)

Sd/-
Sunil Sarda
(Director)

Place: Mumbai
Date : 29.06. 2009

SYSTEMATIX CORPORATE SERVICES LIMITED

Regd. office : 206-207, Banshi Trade Center, 581/5 M. G. Road, Indore- 452001

PROXY FORM

Regd. Folio No. / D.P. Client ID

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I / We _____ of _____ in the district _____ being a member / members of the Company hereby appoint _____ of _____ in the district of _____ or failing him / her _____ of _____ in the district _____ as my/ our proxy to vote for me/ us on my/our at the TWENTY FORTH ANNUAL GENERAL MEETING of the Company at 206-207, Banshi Trade Centre, 581/5, M.G. Road, Indore - 452001 at 12.30 p.m. on Wednesday, the 30th September, 2009 and at any adjournment(s) thereof.

Signed this _____ day of _____ 2009.

Signature _____

Rupee one
Revenue
Stamp

Note:- This form, in order to be effective, should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

----- Please Tear Here -----

SYSTEMATIX CORPORATE SERVICES LTD.

Regd. Office : 206-207, Banshi Trade Center, 581/5 M. G. Road, Indore- 452001

ATTENDANCE SLIP

Twenty Forth Annual General Meeting -September 30, 2009

Name of the attending member (in block letters)	
Folio Number	
*DP ID No.	
*Client No.	
No. of shares held	
Name of proxy (to be filled in if the proxy attends instead of the member)	

I hereby record my presence at the 24th Annual General Meeting of the **Systematix Corporate Services Ltd.** at 206-207, Banshi Trade Centre, 581/5, M.G. Road, Indore -452001 at 12.30 p.m. on day, the 30th September, 2009.

Signature of Member / Proxy

* Applicable in case of shares held in Electronic Form

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