

DIRECTORS' REPORT

To
The Members of
Systematix Corporate Services Limited

Dear Members,

Your Directors have Pleasure in presenting the Twenty Eighth Annual Report and Audited Accounts for the year ended 31st March, 2013.

FINANCIAL REVIEW

(Rs. In Lacs)

Particulars	Year ended 31 st March, 2013		Year ended 31 st March, 2012	
	Standalone	Consolidated	Standalone	Consolidated
Total Income	453.39	5047.49	357.66	5145.54
Total Expenditure	248.74	3161.53	258.20	3063.35
Profit before depreciation interest and exceptional items	204.65	1885.96	99.46	2082.19
Interest	21.44	1396.11	45.55	1717.88
Depreciation	15.24	157.69	15.24	157.28
Exceptional Items	0.00	(0.54)	0.00	1.36
Profit before Tax	167.97	332.70	38.67	205.67
Tax/ Provision for Taxation/ Deferred Tax	54.72	111.72	5.91	68.62
Profit after Tax	113.25	220.98	32.76	137.05
Paid up Equity Share Capital	1305.14	1305.14	1305.14	1305.14
Reserves & Surplus	2230.66	3691.18	2117.41	3470.20

As is evident from the above financial review, during the year, the company has earned Stand alone Income of Rs. 453.39 Lacs as compared to income of Rs. 357.66 Lacs of the Previous Year and Consolidated Income of Rs. 5047.49 Lacs as compared to income of Rs. 5145.54 Lacs of the previous Year. The Company earned Stand alone Profit after tax during the year is Rs. 113.25 Lacs as compared to the Profit after Tax of the previous year of Rs. 32.76 and Consolidated Profit after tax during the year of Rs. 220.98 Lacs as compared to the Profit after Tax of the Previous year of Rs. 137.05 Lacs.

DIVIDEND AND TRANSFER TO RESERVES

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

The Register of Members and Share Transfer Books will remain closed from Friday, 27th September, 2013 to Monday, 30th September, 2013 (both days inclusive). The Annual General Meeting of the Company will be held on 30th September, 2013.

PUBLIC DEPOSIT

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

DIRECTORS

Pursuant to the Provisions of section 260 of the Companies Act, 1956, the Articles of Association of the Company and other applicable provisions, the Company appointed Mr. Ashish Kumar Vyas and Mr. Shriram Surajmal Khandelwal as the Additional Director w.e.f. 30th May, 2013 and they are now being regularized in the ensuing Annual General Meeting scheduled to be held on 30th September, 2013. Pursuant to the Clause 49 of the Listing Agreement with the Stock Exchanges they are the Non-Executive Independent Directors.

In accordance with the provisions of the companies Act, 1956 and Article of Association of the Company, Mr. Jai Narain Khandelwal retires by rotation at the forthcoming Annual General Meeting, and being eligible; offer himself for re- appointment.

Information on the provision details of director seeking appointment/ re-appointment as required under clause 49 of the Listing Agreement has been given under the report on Corporate Governance.

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

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

- i. That in the preparation of the annual accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. That the Directors have selected appropriate accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and on the profit of the Company for the year under review.
- iii. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and,
- iv. That the Directors have prepared the annual accounts for the financial year ended 31st March, 2013 on a 'going concern' basis.

SUBSIDIARY COMPANIES

The Company as of March 31, 2013 had five subsidiaries, viz M/s. Systematix Fincorp India Limited, M/s. Systematix Finvest Private Limited and M/s. Systematix Shares & Stocks (I) Limited, the Wholly Owned Subsidiaries of the Company, M/s. Systematix Commodities Services Private Limited, wholly Owned Subsidiary of the Systematix shares and Stocks (I) Limited and Systematix Distributions Services Private Limited (Formerly known as Systematix Commodities Trading Private Limited), the wholly owned subsidiary of Systematix Commodities Services Private Limited.

ANNUAL ACCOUNTS OF THE SUBSIDIARY COMPANIES

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

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

The Annual Accounts of each of the Company's subsidiary companies will also be available for inspection by any shareholder in the head offices of the holding and subsidiary companies.

LISTING AT STOCK EXCHANGE

The Equity Shares of the Company continue to be listed on BSE Limited. The Company has paid the annual Listing fee for the financial year 2013-14 to BSE.

AUDITORS AND AUDITORS' REPORT

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

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

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

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

During the period under review the Company has earned Foreign Exchange of Rs. 4,840,944/-

PARTICULARS OF EMPLOYEES

No Employee of the Company draws remuneration in excess of limit prescribed under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

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

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

CORPORATE GOVERNANCE

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

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

A Certificate from the Auditors of the Company, M/s. Maharaj N. R. Suresh & Co., Chartered Accountants confirming the compliance of conditions of the Corporate Governance as stipulated under clause 49 of the Listing Agreement is annexed to this Report.

ACKNOWLEDGMENTS

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

By order of the Board
For **Systematix Corporate Services Limited**

Sd/-
C.P. Khandelwal
Chairman

Place: Mumbai
Date: 30/05/2013

CORPORATE GOVERNANCE REPORT

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

COMPANY'S PHILOSOPHY ON CODE ON GOVERNANCE

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

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

BOARD OF DIRECTORS

➤ Composition

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

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

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

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

Name of the Director	Category of Directorship	No. of Shares held in Company (As on 31.03.2013)	Directorship in other companies* (Nos.)	Committees of other companies**		Attendance at the Board Meeting		Attendance in last AGM
				Member	Chairman	No. of Meeting held	No. of Meeting attended	
Mr. Chandra Prakash Khandelwal (Managing Director)	Executive, Non-Independent	1,38,215	04	Nil	02	13	13	Yes
Mr. Ramesh Raizada (Managing Director)	Executive, Non-Independent	Nil	Nil	Nil	Nil	13	5	Yes
Mr. Mahesh Solanki	Non-Executive, Independent	Nil	01	01	Nil	13	8	Yes
Mrs. Anju Khandelwal	Non-Executive, Non-Independent	50,803	02	01	Nil	13	10	Yes
Mr. Sunil Sarda	Non-Executive, Non-Independent	Nil	01	Nil	Nil	13	11	Yes
Mr. J. N. Khandelwal	Non-Executive, Independent	3300	01	01	Nil	13	5	Yes
#Mr. Ashish Kumar Vyas	Non-Executive, Independent	Nil	Nil	Nil	Nil	13	Nil	No
#Mr. Shriram Surajmal Khandelwal	Non-Executive, Independent	Nil	Nil	Nil	Nil	13	Nil	No

The Board of the Company has been reconstituted by an appointment of Mr. Ashish Kumar Vyas and Mr. Shriram Surajmal Khandelwal on 30/05/2013.

All the Independent Directors of the Company have furnished a declaration at the time of their appointment as also annually that they qualify the tests of independence as laid down under Clause 49. All such declaration is placed before the Board for information.

NOTES

*Excludes directorship in Systematix Corporate Services Limited. Also excludes directorship in Indian Private Limited Companies, Foreign Companies, Section 25 Companies and Alternate Directorships. As per the disclosure(s) received from the Directors, the Directors do not hold directorship in more than 15 Companies.

**For the purpose of considering the limit of the Committee Memberships and Chairmanships of a Director, the Audit Committee and the Shareholders' Grievances Committee of public listed committees alone has been considered. As per disclosure(s) received from the Directors, the Director does not hold memberships in more than 10 Committees and Chairmanships in more than 5 Committees.

➤ Number of Board Meeting held and dates thereof

Your Company's Board of Directors met 13 times during the financial year ended 31st March 2013 on the following days:

Date	Board Strength	Number of Directors present
30/04/2012	6	4
15/05/2012	6	4
26/06/2012	6	4
30/06/2012	6	4
23/07/2012	6	4
14/08/2012	6	4
23/08/2012	6	4
01/10/2012	6	4
12/11/2012	6	4
06/12/2012	6	4
14/02/2013	6	4
21/01/2013	6	4
22/03/2013	6	4

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

- Disclosure regarding Directors liable to appoint / retire by rotation and eligible for re-appointment as required to be provided pursuant to Clause 49 IV G (i) of the Listing Agreement with Stock Exchanges is as follows:

Name of Director	Mr. Jai Narain Khandelwal	Mr. Ashish Kumar Vyas	Mr. Shriram Surajmal Khandelwal
Date of Birth	31/01/1965	24/10/1974	17/05/1950
Date of Appointment	03/09/2005	30/05/2013	30/05/2013
Expertise in specific function area	Auditing and Finance	Auditing, Taxation & Finance	Auditing, Taxation & Finance
Qualifications	Chartered Accountant	Chartered Accountant	Chartered Accountant
Directorships held in other Indian public limited companies as on 31 st March 2013	SQL Star International Limited	Nil	Nil
Chairman / Member of the Committee of Board of Directors of the Company as on 31 st March, 2013	1. Audit Committee – Member 2. Shareholders/Investors Grievance Committee – Chairman 3. Remuneration Committee- Member	Nil	Nil
Chairman / Member of Committees of Board of Directors of other Indian public limited Companies as on 31 st March, 2013	SQL Star International Limited (Audit Committee and Shareholders/Investors Grievance Committee - Member)	Nil	Nil
No. of Shares held in the Company as on 31 st March, 2013	3300	Nil	Nil

AUDIT COMMITTEE

➤ **Composition**

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

The composition of the Audit Committee is as follows:

SR. No.	Name of Directors	Designation	Category of Director
1	Mr. Mahesh Solanki	Chairman	Non-Executive Independent Director
2	Mr. Sunil Sarda	Member	Non-Executive, Non Independent Director
3	*Mr. Shriram Surajmal Khandelwal	Member	Non-Executive Independent Director

*Audit Committee has been reconstituted by an appointment of Mr. Shriram Surajmal Khandelwal in place of Mr. J.N. Khandelwal, as a Member of the Committee on 30/05/2013.

During the Financial Year 2012-13 the Audit Committee met 4 times on 15/05/2012, 14/08/2012, 12/11/2012 and 14/02/2013. The following directors were present in the meeting:

Sr. No.	Name of the Directors	No. of meetings attended
1	Mr. Mahesh Solanki,	4
2	Mr. Sunil Sarda	4
3	Mr. J. N. Khandelwal	4
4	Mr. Chandra Prakash Khandelwal	4

➤ **Terms of Reference**

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

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

➤ **Objective**

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

➤ **Information for review**

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

REMUNERATION COMMITTEE

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

➤ **Composition**

The composition of the Remuneration Committee as follows:

Sr. No.	Name of Member	Position	Category
1	*Mr. Ashish Kumar Vyas	Chairman	Non-Executive Independent Director
2	*Mr. Shriram Surajmal Khandelwal	Member	Non-Executive Independent Director
3	Mr. Mahesh Solanki	Member	Non-Executive Independent Director

* Remuneration Committee has been reconstituted by an appointment of Mr. Ashish Kumar Vyas and Mr. Shriram Surajmal Khandelwal in place of Mr. Sunil Sarda and Mr. J. N. Khandelwal, on 30/05/2013

➤ **Meeting and Attendance**

During the year financial year 2012-2013, the Committee met twice on 14/08/2012 & 14/02/2013 and was attended by the Committee members.

➤ **Terms of reference**

1. Administration and superintendence of Employee Stock Option Scheme.
2. Formulation of the detailed terms and conditions of the ESOS.
3. Grant of Stock Options.
4. Recommendation for fixation and periodic revision of the compensation of the Managing Director and Executive Directors to the Board for approval.

5. Review and approve compensation policy (including performance bonus, incentives, perquisites and benefits) for senior management personnel.

➤ **Remuneration Policy**

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

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

➤ **Remuneration of Directors**

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

Remuneration of the Executive Directors for the year ended 31st March, 2013, was as follows:

Name of the Director	Sitting fee (Rs.)	Commission on profit (Rs.)	Salary & allowances (Rs.)	Contribution to PF (Rs.)	Perquisites (Rs.)	Total (Rs.)
Mr. C. P. Khandelwal	Nil	Nil	6,00,000	Nil	Nil	6,00,000
Mr. Ramesh Raizada	Nil	Nil	9,00,000	Nil	Nil	9,00,000

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

No payment in the form of Director's Remuneration was made to any other Director for the year ended 31st March 2013.

➤ **Remuneration to Non Executive Directors**

During the year ended 31st March 2013, the Company has not paid any remuneration either in the form of commission or sitting fee to its non- executive Directors.

SHAREHOLDERS' AND INVESTORS' GRIEVANCE COMMITTEE

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

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

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

➤ **Composition**

The Composition of Shareholders' And Investors' Grievance Committee is as under:

Sr. No.	Name of Members	Position	Category
1	Mr. Sunil Sarda	Chairman	Non-Executive, Non Independent
2	*Mrs. Anju Khandelwal	Member	Non-Executive, Non Independent
3	Mr. Mahesh Solanki	Member	Non-Executive Independent

*Shareholders' And Investors' Grievance Committee has been reconstituted by an appointment of Mrs. Anju Khandelwal in place Mr. J. N. Khandelwal on 30/05/2013

➤ **Meetings and Attendance**

During the Financial Year 2012-13, Three Meetings of Shareholders/ Investor Grievances Committee were held on 15/05/2012, 14/08/2012 and 14/02/2013.

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

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

➤ **Compliance Officer**

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

Exclusive E- Mail Id for Investor's Grievances: secretarial@systematixgroup.in

GENERAL BODY MEETINGS

➤ Annual General Meetings

Financial Year	Date	Time	Venue	Special Resolution passed
Annual General Meeting 2011-2012	25.09.2012	10.00 a.m.	At the registered office of the company: 206-207, Banshi Trade Centre, 565/581, M.G. Road, Indore	No special resolution passed
Annual General Meeting 2010-2011	30.09.2011	12.30 p.m.	At the registered office of the company: 206-207, Banshi Trade Centre, 565/581, M.G. Road, Indore	No special resolution passed
Annual General Meeting 2009-2010	30.09.2010	12.30 p.m.	At the registered office of the company: 206-207, Banshi Trade Centre, 565/581, M.G. Road, Indore	Authorization for giving corporate guarantee by the Company.

➤ Special Resolution passed through postal Ballot

No resolution passed through postal Ballot during the year.

DISCLOSURES

➤ Related Party Transaction and Pecuniary Relationship of Directors

None of the transactions with any of the related party were in conflict with the interest of the Company. Attention of members is drawn to the disclosures of transactions with the related parties set out in Notes on Accounts point no. 23 forming part of Annual Report.

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

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

➤ Disclosure of Directors' interest in transaction with the Company

All the transactions with the Directors and their related parties i.e. the companies in which they are interested have been made under the authority of the Board of Directors and on an arm's length basis and the interested Directors have duly disclosed their interest to the Board of Directors at the Board Meeting.

Such transaction have been done on an arm's length basis at the prevailing market rates and have been duly entered in the register of contracts maintained under section 301 of the Companies Act, 1956.

➤ **Compliance by the Company**

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

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

➤ **Code of Conduct**

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

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

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 Journal and Choutha Sansar. Besides, all the financial, vital and price sensitive official news releases are also properly communicated to the concerned stock exchanges.

GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting: Date, Time and Venue	30 th September, 2013 at 10.00 A.M. at the registered office of the Company at 206-207, Bansi Trade Centre, 565/581, M.G. Road, Indore-452001 (M.P.).
Financial year	The Company follows April to March as its financial year. The result for every quarter beginning from April will be declared within the time prescribed under Listing Agreement.
Date of Book Closure	27 th September, 2013 to 30 th September, 2013 (both days inclusive)
Listing on Stock Exchanges	BSE Ltd, Mumbai
Stock Code	526506
Dematerialization of Shares	The shares of the Company are compulsorily traded in the dematerialized form under the depository system of both the National Securities Depository Limited (NSDL) and Central Depository

	Services (India) Limited (CDSL).
ISIN No.	INE356B01016
Corporate Identification Number	L91990MP1985PLC002969
Dematerialization of Shares and Liquidity	94.41 % of the paid up capital of the company has been dematerialized as on 31.03.2013 Further trading in the Company's shares is compulsory in dematerialized form.
Register and Transfer Agents	Cameo Corporate Services Ltd. Subramanian Building, Club House Road, Chennai- 600002 Ph. No. 044-28460390
Share Transfer System	All the transfer received are processed by the Registrar and Transfer Agents and approved by the Share Transfer Committee.
Dividend Payment for financial year 2012-2013	Nil
Address for correspondence	Systematix Corporate Services Ltd. Registered Office Address; 206-207, Bansi Trade Centre, 565/581, M.G. Road, Indore-452001 Corporate Office Address: J K Somani Building, 2 nd Floor, British Hotel Lane, Fort, Mumbai- 400001 Shareholders may correspond to the Registrar and Transfer Agents.

➤ **Stock Price Data**

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

Month	Company's share price on BSE		BSE Sensex	
	Monthly High (in Rs.)	Monthly Low (in Rs.)	High	Low
April, 2012	33.90	27.55	17,664.10	17,010.16
May, 2012	30.40	22.25	17,432.33	15,809.71
June, 2012	34.00	21.30	17,448.48	15,748.98
July, 2012	30.00	25.60	17,631.19	16,598.48
August, 2012	28.80	23.00	17,972.54	17,026.97
September, 2012	24.80	21.70	18,869.94	17,250.80
October, 2012	30.65	22.10	19,137.29	18,393.42
November, 2012	31.65	26.00	19,372.70	18,255.69
December, 2012	32.00	23.70	19,612.18	19,149.03

January, 2013	25.45	21.20	20,203.66	19,508.93
February, 2013	25.60	20.25	19,966.69	18,793.97
March, 2013	22.30	17.70	19,754.66	18,568.43

➤ **Shareholding Pattern as on 31st March, 2013**

Category	No. of Shares Held	Percentage of Shareholding
Shareholding of promoter and promoter group		
Indian promoters:		
Individual/ HUF	537951	4.10
Bodies Corporate	4268806	32.53
Foreign Promoters	0	0.00
Sub- total	4806757	36.63
Non- Promoter's Holding		
Institutional Investors	0	0
Mutual Fund and UTI	0	0
Banks, Financial Institutions, Insurance Companies [Central / State Govt. Institutions / Non- government Institutions]	0	0
FII's	1196601	9.12
Sub-total	1196601	9.12
Others		
Private Corporate Bodies	5469775	41.68
Indian Public	1555677	11.86
NRIs/ OCBs	1610	0.01
Any other-		
Clearing Member	1	0.00
Hindu Undivided Families	92137	0.70
Sub-total	7119200	54.25
Grand Total	13122558	100.00

➤ **Distribution of Shareholding as on 31st March, 2013**

Shareholding of Nominal Value (Rs.)	No. of Shareholders	% of Total	Share Amount (in Rs.)	% of Total
10 to 5000	1786	80.05	3900380	2.97
5001 to 10,000	208	9.32	1702650	1.30
10,001 to 20,000	112	5.02	1687640	1.29
20,001 to 30,000	32	1.43	831130	0.63
30,001 to 40,000	24	1.08	864540	0.66
40,001 to 50,000	15	0.67	698010	0.53
50,001 to 1,00,000	25	1.12	1726060	1.32
1,00,001 and above	29	1.30	119815170	91.30
Total	2231	100.00	131225580	100.00

➤ **Auditor's Certificate on Corporate Governance**

The Company has obtained a certificate from its statutory auditors M/s. Maharaj N.R. Suresh & Co., Chartered Accountants confirming compliance with the condition of corporate governance as stipulated in clause 49 of Listing Agreement with the Stock Exchanges. This Certificate is annexed to the Directors' Report for the year 2012-13. This Certificate will be sent to the stock exchanges along with the annual report to be filled by the company.

DICLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT

"We, the undersigned hereby confirm that the Company has obtained from all members of the Board and Senior Management, affirmation that they have complied with the code of Business Conduct and Ethics for Directors and Senior Management in respect of the financial year 2012-13."

By order of the Board
For **Systematix Corporate Services Limited**

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

Place: Mumbai
Date: 30/05/2013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**REVIEW OF MACRO-ECONOMIC ENVIRONMENT FY2012-13:**

Global growth recovered at a rate much lower than was widely expected. This coupled with persistent fiscal and financial risks challenged domestic growth prospects in FY13. Several rounds of quantitative easing by advanced economies on both sides of the Atlantic led to unprecedented capital flows into emerging markets.

Against this weakening global backdrop, the Indian economy battled major headwinds. Following the stimulus led growth witnessed in FY10 and FY11, moderation in growth momentum was seen in FY12 that further got accentuated during FY2013. India's growth halved to 4.5% from the 9% trend growth seen pre-crisis. In line with other EMs, the Indian equity markets too witnessed a sharp liquidity driven run-up, not fully supported by fundamentals.

India's real GDP growth moderated significantly from 5.1% in 2011-12 to 4.8% in 2012-13. Q3FY13 GDP growth was the slowest in 15 quarters at 4.7%. The slowdown reflects continued sluggish investment activity in the economy as well as slowdown in consumption demand. While slower growth is the major worry, there are other headwinds in the economy as well. Thus, current account deficit remained unsustainably large at over 5% of GDP in 2012-13 fiscal, deficit continued to be above 5% of GDP (for the 5th consecutive year) and inflation remained above 7% or 150bps above long-term average for the 3rd consecutive year. Reflecting the weak macro environment, INR depreciated by over 20% against the USD in the past two years.

However, we believe that the macro cycle is gradually turning for the better. Firstly, soon after taking charge, the Finance Minister Mr. P. Chidambaram slammed down on government expenditure and contained the fiscal deficit to 5.2% of GDP in 2012-13. This year, Finance Minister has projected a fiscal deficit of 4.8% of GDP and given the recent decline in commodity prices, slippage, if any, is likely to be modest. Thus, while fiscal deficit still remains elevated, the deficit trend has been down in the last 2-3 years. Similarly, the slowdown in consumption will have a benign impact on both inflation as well as the current account deficit. WPI inflation has already moderated sharply, largely reflecting the decline in commodity prices but we expect even the CPI inflation to moderate by 200-300 bps in 2013-14. Similarly, due to slowdown in consumption, non-oil and non-gold imports have been declining. This will result in lower current account deficit in FY14. The recent decline in commodity prices is also a positive for the twin deficit of current account and fiscal and inflation. Although the twin deficits are still expected to remain high, they will be on a downward trajectory.

During second half of FY13, there was some stability in macro environment, largely as a result of a series of steps undertaken by the government such as liberalising of FDI regime in certain sectors, rationalisation of retail fuel prices and reining in of fiscal spending; although a lot more remains to be done. While the situation appeared to be improving, some recent developments on political front have once again raised concerns about Government's ability to carry forward the reform process.

SYSTEMATIX OVERVIEW

Systematix Corporate Services Limited (SCSL) has come a long way since its incorporation more than two decade ago. The Company is a SEBI registered 'Category I' Merchant Banker and consists of 5 subsidiaries. Your Company's operations are organized around four broad business lines – Public Issues/ Right issues, Debt Syndication, Private Placements and SME Listings for its prestigious corporate clients. With a knowledge centric approach and our mission to provide our customers with secure, customized and comprehensive financial solutions and thereby achieve sustained growth we have restructured ourselves through a hub-and-spoke model and have become a one stop service provider of financial services across various assets classes during the year. Through its five subsidiaries, your Company has established its presence in the Wealth Management, Institutional Broking, Commodities and Loan Syndication businesses. Systematix Corporate Services Ltd. through its associates has also set up a SEBI approved Venture Capital Fund through the trust route and Systematix Asset Management Co. Pvt. Ltd. is the advisor to the Fund. Your Company, through its subsidiaries, has facilities at around 600 locations via branches & franchisees, servicing 60,000 plus clients with around 700 terminals, spread across 20 states and around 150 cities, targeting a strong client base across India.

This strategy is complemented by the following strengths:

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

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

SERVICES OFFERED:**Merchant Banking:**

Debt Capital Market volumes remained largely flat during the year, due to companies possibly deferring their debt raising plans in anticipation of further interest rate cuts, Equity Capital Market volumes improved year on year in FY13, largely driven by higher activity levels in Offer for Sale issues. IPOs which experienced a brief spurt in Q3FY13, again dried up during Q4. M&A activity faced challenges due to high interest rates and uncertain economic outlook.

Your company, Merchant Banking Division comprises of a group of highly experienced professionals with diverse expertise in merchant and investment banking with special skills in assisting medium sized companies going public. We help companies to raise capital during the seed, growth and expansion phases as well as acquisition financing and structuring the deal to maximize value for all its stakeholders. The comprehensive range of services from conception to completion provided under one roof reinforces our commitment on quality assurances through total involvement. The team have more than a decade experience in the capital markets and have handled a variety of deals across several key sectors such as hospitality, automobiles, retail, engineering, media & entertainment, infrastructure, logistics, metals & mining, pharmaceuticals, power, banking & financial services, telecom & IT among others. During the year under review, the division has grown around 27% to Rs.453.39 lacs as compared to last year of Rs.357.66 lacs. Our offerings are as follows:

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

Financing & Other Activities:

The income from financing & other activities was Rs.2242.85 lacs, marginally down by 2.56% over the preceding year. The Company's product offerings include activities like financing against shares and margin funding.

Wealth Management:

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

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

Distribution and marketing income comprises commission, brokerage and marketing income generated from distribution of third party products such as insurance, mutual funds and online marketing on the Company's website. A part of the income is contributed by commission and brokerage on Mutual Fund Distribution from the wealth management platform. During the year company's income from distribution and marketing was Rs.12.03 lacs as compared to negligible earnings last year.

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

Portfolio Management Services:

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

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

Commodities & Currency Derivatives:

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

Research:

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

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

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

FUTURE OUTLOOK:

The capital market sentiment continues to be affected by concerns about macro-economic situation, rupee depreciation and policy inaction on important economic legislations/reform process. However, several recent positive developments in the economy suggest that the days of gloom may soon be a thing of the past. These developments, though subtle, have cumulatively augured well for the economy and the capital markets. Commodities volumes will be impacted by introduction of commodities transaction tax. In spite of short term headwinds, long term potential for these businesses are good and overall growth in Indian economy.

To sum up, notwithstanding global uncertainties, regulatory tightening and cyclical economic downtrend, financial service industry in India on the whole, will continue to march ahead at a healthy pace in the long term. Your Company has a diversified business model with multiple products and is well placed to participate in the industry growth.

OPPORTUNITIES AND THREATS

Opportunities

- Long-term economic outlook positive, will lead to opportunity for capital market services
- Growing Financial Services industry's share of wallet for disposable income.
- Regulatory reforms would aid greater participation by all class of investors
- Leveraging technology to enable best practices and processes
- Corporates looking at consolidation / acquisitions / restructuring opens out opportunities for the corporate advisory business

Threats

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

Strengths

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

FINANCIAL PERFORMANCE HIGHLIGHTS

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

Table 1: Abridged Profit and Loss Account (Rs. in Lacs) – Standalone

Particulars	2012-2013	% of Total Income	2011-2012	% of Total Income
Revenue				
Income from Operation	450.88	99.45	355.88	99.50
Other Income	2.51	0.55	1.78	0.50
Total	453.39	100.00	357.66	100.00
Expenditure				
Employees Cost	35.38	7.80	43.35	12.12
Financial Expenses	21.44	4.73	45.55	12.74
Depreciation	15.24	3.36	15.24	4.26
Other Expenses	213.36	47.06	214.85	60.07
Total	285.42	62.95	318.99	89.19
Exceptional Items	0.00	0.00	0.00	0.00
Profit Before Tax	167.97	37.05	38.67	10.81
Tax- current & deferred	54.72	12.07	5.91	1.65
Profit after Tax	113.25	24.98	32.76	9.16
Earning per Shares (Basic)	0.86	--	0.25	--
Earning per Shares (Diluted)	1.01	--	0.58	--

The revenues of the Company for the financial year under review are Rs. 453.39 Lacs as compared to Rs. 357.66 Lacs for the previous year. The net profit for the year under review is Rs. 113.25 Lacs as against the net profit of Rs. 32.76 Lacs in the previous year.

Table 2: Abridged Profit and Loss Account (Rs. in Lacs) – Consolidated

Particulars	2012-2013	% of Total Income	2011-2012	(Rs. in Lacs) % of Total Income
Revenue				
Income from Operation	4779.45	94.69	4771.37	92.73
Other Income	268.04	5.31	374.17	7.27
Total	5047.49	100.00	5145.54	100.00
Expenditure				
Employees Cost	1181.70	23.41	1429.49	27.78
Financial Expenses	1396.11	27.66	1717.88	33.39
Depreciation	157.69	3.12	157.28	3.06
Other Expenses	1979.83	39.22	1633.85	31.75
Total	4715.33	93.42	4938.50	95.98
Exceptional Items	(0.54)	(0.01)	1.37	0.03
Profit Before Tax	332.70	6.59	205.67	4.00
Tax- current & deferred	111.72	2.21	68.62	1.33
Profit after Tax	220.98	4.38	137.05	2.66
Earning per Shares (Basic)	1.68	---	1.04	---
Earning per Shares (diluted)	1.83	---	1.36	---

➤ **Performance of Subsidiaries:**

Systematix Shares and Stock (India) Limited

(Rs. in Lacs)

Particulars	As on March31, 2013	As on March31, 2012	Growth %
Total Revenues	2037.02	2135.73	(4.62)
EBIDT	275.33	336.13	(18.09)
PBT	64.66	107.46	(39.83)
PAT	38.16	70.62	(45.96)

Systematix Fincorp India Limited

(Rs. in Lacs)

Particulars	As on March31, 2013	As on March31, 2012	Growth %
Total Revenues	1242.41	1185.70	4.78
EBIDT	754.34	852.25	(11.49)
PBT	54.12	57.27	(5.50)
PAT	37.71	39.34	(4.14)

Systematix Commodities Services Private Limited

(Rs. in Lacs)

Particulars	As on March31, 2013	As on March31, 2012	Growth %
Total Revenues	828.55	490.14	69.04
EBIDT	16.00	29.75	(46.22)
PBT	3.97	23.33	(82.98)
PAT	3.14	15.40	(79.61)

Systematix Finvest Private Limited

(Rs. in Lacs)

Particulars	As on March31, 2013	As on March 31, 2012	Growth %
Total Revenues	1000.44	1090.78	(8.28)
EBIDT	634.54	764.61	(17.01)
PBT	40.87	(21.06)	294.06
PAT	28.02	(21.06)	233.05

Systematix Distributions Services Private Limited

(Rs. in Lacs)

Particulars	As on March31, 2013	As on March 31, 2012	Growth %
Total Revenues	12.03	0.00	---
EBIDT	1.09	(0.01)	11000.00
PBT	1.09	(0.01)	11000.00
PAT	0.69	(0.01)	7000.00

HUMAN RESOURCES

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

CAUTIONARY STATEMENT

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

Maharaj N R Suresh And Co.

Chartered Accountants

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

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



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Systematix Corporate Services Limited

We have examined the compliance of the Corporate Governance by Systematix Corporate Services Limited for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

The compliance of the condition of the Corporate Governance is the responsibility of the Management. Our examination has been limited to the review of the procedures and implementations thereof adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

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

As required by guidance note issued by the Institute of Chartered Accountants of India, the records relating to investor grievances pending against the Company, if any, if maintained by the Registrar and Share Transfer Agent of the Company, who have certified that as at 31st March, 2013, no grievances was unattended / pending for more than 30 days.

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

For Maharaj N R Suresh And Co

FRN No.001931S

Chartered Accountants

K. V. Srinivasan

Partner

Membership No.204368

Place : Mumbai

Date : 30.05.2013



Maharaj N R Suresh and Co
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

The Members of
Systematix Corporate Services Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **SYSTEMATIX CORPORATE SERVICES LIMITED**, which comprise of the Balance Sheet as at 31st March 2013 and Statement of Profit & Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2013
- b) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) 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 ;
 - (c) the Balance Sheet ,Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet , Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - (e) On the basis of written representations received from the directors as on 31st March 2013 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956

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

K V Srinivasan
Partner
M. No: 204368
Place: Mumbai
Date: 30.05.2013



Annexure to Independent Auditors' Report

Referred to in Paragraph 1 under the heading " Report on Other Legal and Regulatory Requirements" of Our Report even date

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) These fixed assets have been physically verified by the management at reasonable intervals which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) No substantial part of fixed assets have been disposed off during the year.
- (ii) According to the information and explanations given to us, and having regard to the Company's business reporting on clause 4 (ii) a, 4 (ii) b, 4 (ii) c (relating to Inventory) of the Companies (Auditors report) order, 2003 as amended by Companies (Auditors Report) (amendment) order 2004, does not arise.
- (iii) (a) The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956.

(b) The company has taken unsecured loans from Two Companies covered in the register maintained under section 301 of the companies Act, 1956. The maximum amount involved during the year was Rs 3031.60 lakhs and the year end balance of loans taken from such parties was RS 2775.85 lakhs.

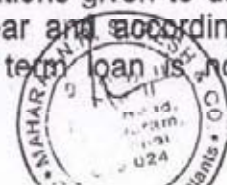
(c) In our opinion, the rate of interest and other terms and conditions of the said unsecured loan taken by the company are not, prima facie prejudicial to the interests of the company.

(d) Payment of Principal and Interest are in accordance with the terms as applicable.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the company and the nature of its business for the purchases of fixed assets and with regard to sale of Services. The Company has not made any sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (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.

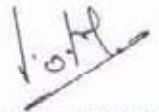


- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) As per the explanation and information given to us, the company is not required to maintain cost records pursuant to Section 209 (1) of the Companies Act. Accordingly the clause 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 2013 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of Sale Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax and cess, which have not been deposited on account of any dispute
- (x) In our opinion the Accumulated Losses of the Company are not more than 50% of its Net worth. The company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) The Company has not defaulted in repayment of dues to a financial institution or bank or debenture holder.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The company is not a chit fund or a nidhi / mutual benefit fund / society.
- (xiv) The Company in respect of Investment in shares, we are of the opinion that proper records have been maintained of the transaction and contracts and timely entries have been made in those records. We also report that the company has held the shares, securities, debentures and other securities in its own name.
- (xv) In our Opinion and according to the information and explanation given to us, the terms and conditions of the guarantees given by the Company for Guarantee /Loan taken by others from banks are not prime facie prejudicial to the Interest of the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the company has not raised any term loans during the year and according clause 4 (xvi) of the order relating to the application of term loan is not applicable to the company.



- (xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) During the year the Company has not made any preferential allotment of Shares.
- (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
FRN NO: 001931S
Chartered Accountants



K V SRINIVASAN
Partner
M. No 204368

Place: Mumbai
Date: 30.05.2013



SYSTEMATIX CORPORATE SERVICES LTD.

BALANCE SHEET AS AT 31ST MARCH 2013

Particulars	Note No	As at 31.03.2013 RS	As at 31.03.2012 RS
I. EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	2	130514080	130514080
(b) Reserves & Surplus	3	223065992	211740747
(2) Non- Current Liabilities			
(a) Long Term Borrowings	4	277584916	195299913
(b) Deferred Tax Liabilities	5	460000	360000
(3) Current Liabilities			
(a) Trade Payables	6	10636299	11476046
(b) Other Current Liabilities	7	1931158	80706963
TOTAL		644192445	630097749
II. ASSETS			
(1) Non- Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	15263309	16787422
(b) Non-Current Investments	9	595014000	595014000
(c) Long-Term Loans and Advances	10	14893066	11942005
(2) Current assets			
(a) Trade Receivables	11	17016641	425028
(b) Cash and Bank Balances	12	992711	1070502
(c) Short-Term Loans and Advances	13	1012718	4832065
(d) Other Current Assets	14	0	26727
TOTAL		644192445	630097749

Notes on Financial Statements

1 to 25

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

K V Srinivasan
K V SRINIVASAN
Partner
M.NO 204368

Place: Mumbai
Date: 30.05.2013



For & on behalf of the Board of Directors

C P Khandelwal
C P Khandelwal
Director

Ramesh Raizada
Ramesh Raizada
Director

VRNHS Prasad
VRNHS Prasad
Company Secretary

SYSTEMATIX CORPORATE SERVICES LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	Note No	For the Year 31.03.2013 RS	For the Year 31-03-2012 RS
I. Revenue from Operations	16	45088444	35588273
II. Other Income	17	251000	177575
III. Total Revenue		45339444	35765848
IV. EXPENSES			
Employee benefits Expenses	18	3537810	4335000
Finance Cost	19	2143835	4555005
Depreciation and Amortisation Expenses	8	1524113	1524114
Other Expenses	20	21336441	21484727
Total Expenses		28542199	31898846
V. Profit Before Exceptional and Extraordinary Items and Tax		16797245	3867002
VI. Exceptional Items		0	0
VII. Profit Before Extraordinary Items & Tax		16797245	3867002
VIII. Extraordinary Items		0	0
IX. Profit before Tax		16797245	3867002
X. Tax Expenses			
Current Tax	21	5372000	
Minimum Alternate Tax Payable			736850
MAT Credit Entitlement			174520
		5372000	562330
Income tax Relating to earlier year		0	-1074
Deferred Tax		100000	30000
XI. Profit/(Loss) After Tax		11325245	3275746
XII. Earnings Per Equity Share			
1) Basic		0.86	0.25
2) Diluted		1.01	0.58

Notes on Financial Statements

1 to 25

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

For & on behalf of the Board of Directors

Chartered Accountants

K V SRINIVASAN
Partner
M.NO 204368

(Signature)
C P Khandelwal
Director

(Signature)
Ramesh Raizada
Director

(Signature)
VRNHS
Company Secretary

Place: Mumbai
Date: 30.05.2013



(1) Notes on Accounts

I). Significant Accounting Policies

A) General

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

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 Statement Account, if such a decline is other than temporary in the opinion of the management.

E) Revenue and Expenditure Recognition

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

Income is recognized on Work Completed and billed on Customers.

F) Retirement Benefits

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

G) Taxes on Income

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



H) Foreign Exchange Transaction

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

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

I) Provisions, Contingent Liabilities and Contingent Assets

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



SYSTEMATIX CORPORATE SERVICES LTD.

Particulars	Par value	As at 31.03.2013 RS	As at 31.03.2012 RS
(2) Share Capital			
a) Authorized: 2,50,00,000 Equity Shares	10	250,000,000	250,000,000
b) Issued 1 31 22 558 Equity Shares	10	131,225,580	131,225,580
c) Subscribed and fully paid up 1 29 80 258 Equity Shares	10	129,802,580	129,802,580
d) Subscribed and not fully paid up 1 42 300 Equity Shares	10	711,500	711,500
Total		130,514,080	130,514,080
e) Calls unpaid By Directors By others 1 42 300 Equity Shares	5	711500	711500

f) List of Shareholders Holding more than 5%

Name of Shareholders	31-03-2013		31-03-2012	
	Number of Shares	Percentage Holding	Number of Shares	Percentage Holding
Superstar Exports Private Limited	4268806	32.53%	4268806	32.53%
Satyamitra Stock Consultants Pvt Ltd	1345116	10.25%	1345116	10.25%
Chiraayush Stock Consultants Pvt Ltd	1138186	8.67%	1138186	8.67%
Shriram Stock Market Pvt Ltd	985000	7.50%	985000	7.50%
Dhananjaya Money Management Services Pvt Ltd	669378	5.10%	669378	5.10%

	31-03-2013		31-03-2012	
	RS		RS	
3) Reserves & Surplus				
Capital Reserve		22863600		22863600
Securities Premium Reserve		186501920		186501920
General Reserve				
Opening Balance	4446757		4446757	
Additions during the year	<u>0</u>	4446757	<u>0</u>	4446757
Surplus in Profit & Loss Statement				
Opening Balance	-2071530		-5347275	
Add: Profit/(Loss) for the year	<u>11325245</u>		<u>3275746</u>	
Closing Balance		9253715		-2071530
Total		<u>223063992</u>		<u>211740747</u>



SYSTEMATIX CORPORATE SERVICES LTD.

Particulars	31-03-2013 RS	31-03-2012 RS
4) Long Term Borrowings		
Unsecured		
OFCD,s and Current Maturities of OFCD,s		
a) 6% Optionally Fully Convertible Debebtures (OFCD)		
i) OFCD,S allotted on 24/03/2011 will carry a Coupon rate of 6%.		
ii) OFCD, s will be convertible in to one equity share of the company at the option of the OFCD, s holder within period of 18 Months from the date of allotment of the OFCD,s failing which the OFCD,s will be eligible for redemption at the par value of Rs 250/- per OFCD,s at the end of the said 18 Months.		
b) Loan from related parties	277584916	195299913
Total	277584916	195299913
5) Deferred Tax Liabilities		
Deferred Tax Liability on account of		
a) Depreciation	460000	360000
Total	460000	360000
6) Trade Payables		
Services	10636299	11476046
Total	10636299	11476046
Micro enterprises and small enterprises under the Micro,Small and Medium Enterprises development Act,2006 have been determined to the extent such parties have been identified on the basis information available with the company. There are no overdues to parties on account of principal amount and /or interest accordingly no additional disclosure have been made.		
7) Other Current Liabilities		
Current maturities of Long Term Debt	0	75916750
Interest Accured and due	0	4099504
Others-Tax Deducted at source and Service tax Payable	1931158	690709
Total	1931158	80706963

A.N.R. SURESH

Plant & I	
Furniture	
Vehicle	
Office Ex	
Total	
Previous	

8) Tangi

SYSTEMATIX CORPORATE SERVICES LTD.
SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2013

8) Tangible Assets

Description	Gross Block			Depreciation		Net Block	
	As at	Additions	Deductions	As at	Up to	For the	Withdrawn
	01.04.2012			31.03.2013	01.04.2012	Year	Up to
							31.03.2013
Plant & Equipments	4233008	0	0	4233008	3715229	40661	3755890
							477118
Furniture & Fixtures	18805032	0	0	18805032	5432589	1190359	6622948
							12182084
Vehicle	2214992	0	0	2214992	742999	210424	953423
							1261569
Office Equipments	2966145	0	0	2966145	1540938	82669	1623607
							1342538
Total	28219177	0	0	28219177	11431755	1524113	12,955,868
							15263309
Previous Year	29587814	0	1368637	28219177	10297702	1524114	11431755
						390061	16787422
							19290112



SYSTEMATIX CORPORATE SERVICES LTD.

	As at 31.03.2013		As at 31.03.2012	
9) Non Current Investments				
Long Term -Non trade-unquoted	No of Shares	Rs	No of Shares	Rs
i) In wholly owned Subsidiary Companies				
Investment in Equity Shares of Rs 10/- each fully paid up Systematix Fincorp India Limited	1675845	142758450	1675845	142758450
Investment in Equity Shares of Rs 100/- each fully paid up Systematix Finvest Pvt.Ltd	187820	110099300	187820	110099300
ii) In Subsidiary Company				
Investment in Equity Shares of Rs 10/- each fully paid up Systematix Shares & Stocks (I) Ltd.	4158700	342156250	4158700	342156250
Total		595014000		595014000
10) Long -Term Loans and Advances				
Unsecured Considered Good				
Advance Income Tax (Net of Provisions)		4543916		1592855
Deposits		10349150		10349150
		14893066		11942005
11) Trade Receivables				
Unsecured Considered Good				
Exceeding Six Months		0		0
Other Debts		17016641		425028
Total		17016641		425028
12) Cash & Bank Balances				
Cash & Cash Equivalents				
Balance with Banks		987330		1066335
Cash on hand		5381		4167
Total		992711		1070502
13) Short -Term Loans and Advances				
Unsecured Considered Good				
Advance Income Tax (Net of Provisions)		967341		2951061
Mat Credit Entitlement		0		1822637
Others		45377		58367
Total		1012718		4832065
14) Other Current Assets				
Service Tax Credit Receivable		0		26727
Total		0		26727
15) Contingent Liabilities				
Contingent Liabilities on account of Guarantees given to banks on behalf of Group Companies		585000000		885000000
Total		585000000		885000000



SYSTEMATIX CORPORATE SERVICES LTD.

SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2013

	Year Ended 31.03.2013 RS	Year Ended 31.03.2012 RS
16) Revenue from Operations		
Financial Advisory Services	45,088,444	35,588,273
Total	45,088,444	35,588,273
17) Other Income		
Interest	-	10,970
Net foreign Exchange Gain	-	12,126
Other Non Operating Income	251,000	154,479
Total	251,000	177,575
18) Employee benefits Expenses		
Salaries Bonus & Allowances	3,537,810	4,335,000
Total	3,537,810	4,335,000
19) Finance Cost		
Interest on Borrowings	2,143,835	4,555,005
Total	2,143,835	4,555,005
20) Other Expenses		
Rent	17,772,300	17,622,966
Rates & Taxes	1,758	304,555
Electricity Charges	324,934	331,271
Repairs & Maintenance	-	-
Others	790,221	559,578
Advertisement	486,926	170,326
Communication	526,663	167,183
Loss on sale of assets	-	478,577
Professional & Consultancy	815,750	1,124,400
Auditors Remuneration*	75,000	40,000
Other Expenses	542,889	685,871
Total	21,336,441	21,484,727
*Additional Information		
i) Statutory Audit	65,000	30,000
ii) Tax Audit	10,000	10,000
Total	75,000	40,000
21) Current Tax		
(a) Income Tax	5,372,000	736,850
(b) Minimum Alternate Tax	-	-
(c) MAT Credit Entitlement	-	(174,520)
(d) MAT Credit Availed	-	-
Total	5,372,000	562,330

1822637



22) Basic & Diluted Earnings per share:

Particulars	2012-13	2011-12
Net Profit/(Loss) attributable to equity share holders	1 13 25 245	32 75 746
Weighted Average of Equity shares	1 31 22 558 (face value of Rs.10/- each)	1 31 22 558 (face value of Rs.10/- each)
Basic Earnings Per Share	0.86	0.25
Net Profit/(Loss) attributable to equity share holders	1 13 25 245	32 75 746
Add: Interest on debenture	21 43 835	45 55 005
Adjusted Net profit for Diluted EPS	1 34 69 080	78 30 751
Weighted Number of equity shares outstanding for Diluted EPS	1,32,70,648 (face value of Rs.10/- each)	1 34 26 225 (face value of Rs.10/- each)
Diluted Earnings Per share	1.01	0.58

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

23). Related Party Transactions:

I) Names of Transacting Related Parties

A) Wholly Owned Subsidiaries

- Systematix Fincorp India Limited
- Systematix Finvest Private Limited

B) Subsidiary Company

- Systematix Shares & Stocks (I) Limited

C) Step Subsidiary

- Systematix Commodities Services Private Limited
- Systematix Distributions Services Pvt Limited

D) Associate and Group Companies

- Systematix Capital Services Private Limited
- Ceepeek Real Estate Limited
- Rangsharda Properties Private Limited
- Shubham Mangalam Real Estate Pvt Limited
- Snehavardhini Properties Pvt Limited
- Tek Point Properties Private Limited
- Funsign Real Estate Pvt Limited
- Superstar Exports Private Limited.
- Topcity Trading Company Private Limited
- Riteplaza Trading Company Private Limited
- Magicline Trading Company Private Limited
- Goldflag Exports Private Limited
- Goldlife Trading Company Private Limited
- Thirdwave Merchantile Company Private Limited



- SQL Star International Limited
- Shiv Shakti Real Estate Pvt Limited
- Systematix Assets Management Company Pvt. Limited
- Nikunj Mercantile Private Limited
- Siena Infotainment Pvt limited
- Southern Wind farm Limited
- Unicorn Infra projects and Estates Pvt limited
- DDPL Global Infrastructure Pvt Limited
- Skittish Realtors Pvt Limited
- Perspire Builders & Developers Pvt limited.

Entities where Control Exists

- Mahesh C Solanki & Co

Key Managerial Personnel

Mr.C.P.Khandelwal, Mr.Ramesh Raizada

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

III) Transaction detail

Name of the Related party	Description of Transaction and amount during the year		Amount outstanding
	Rs in lakhs		
Superstar Exports Pvt Limited	Loan availed	822.85	
	Loan repaid	0	(Cr) 2 775.85 Liability
			Investment in 42 68 806 Equity Shares 32.53%
	OFCD Interest	4.27	0
Systematix Capital Services Pvt Limited	Loan availed	255.75	0
	Loan repaid	255.75	
Systematix Shares and Stocks (I) Limited			Asset Investment in: 41 58 700 Equity Shares 99.89%
Systematix Shares and Stocks (I) Limited	Guarantee for BG	5850.00	2 175.00
Systematix Finvest Private Limited	Professional fees received	40.00	Asset Investment in:



			1 87 820 Equity shares 100%
Mr. C. P. Khandelwal	Remuneration	6.00	0.00
	OFCD interest	4.93	0.00
Mr. Ramesh Raizada	Remuneration	9.00	0.00
Mrs Anju Khandelwal	OFCD Interest	2.01	0.00
Mrs Geeta Devi Khandelwal	OFCD Interest	10.22	0.00

24. Earnings in foreign Currency

Particulars	31.03.2013	31.03.2012
Service Fees Received	48 40 944	3 62 340

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

Vide our report of date attached

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

K V SRINIVASAN
Partner
M.NO 204368

Place: Mumbai
Date: 30.05.2013

For & on behalf of Board of Directors

[Signature]

C P Khandelwal
Chairman

[Signature]

Ramesh Raizada
Managing Director

[Signature]

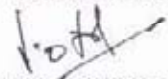
VRNHS prasad
Company Secretary



SYSTEMATIX CORPORATE SERVICES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2013

Particulars	31-03-2013 RS	31-03-2012 RS
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary items	16797245	3867002
Adjustments for : -		
1 Depreciation	1524113	1524114
2 Interest/Dividend Received	0	-10970
3 Loss (Profit) on Sale of Fixed Assets	0	478577
 Operating profit before working capital changes	 18321358	 5858723
Adjustments for : -		
1 Trade and Other Current Assets	-21068600	-5719195
2 Trade and other Payables	-79615552	80654766
 Cash Generated from operation	 -82362794	 80794294
1 Interest Paid	2143835	4555005
 Cash Flow Before extraordinary items	 -80218959	 85349299
1 Extraordinary items	0	0
Net Cash from/ (Used) In Operating activities	-80218959	85349299
 B CASH FLOW FROM INVESTING ACTIVITIES		
1 Sale of Fixed Assets	0	500000
2 Interest /Dividend Received	0	10970
Net Cash from/ (Used) in investing activities	0	510970
 C CASH FLOW FROM FINANCIANG ACTIVITIES		
1 Proceeds from issue of Share Capital	0	19000
2 Proceeds from Long and Short Term Borrowings	82285003	-82316750
3 Interest Paid	-2143835	-4555005
Net Cash from financieng activities	80141168	-86852755
 Net increase in Cash and Cash equivalents (A+B+C)	 -77791	 -992487
Cash and Cash equivalents as (Opening Balance)	1070502	2062989
Cash and Cash equivalents as (Closing Balance)	992711	1070502

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

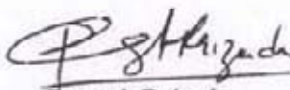

K V SRINIVASAN
Partner
M.NO 204000

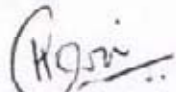
Place:Mumbai
Date:30.05.2013



For and on behalf of the Board of Directors


C P Khandelwal
Director


Ramesh Raizada
Director


V.R.N.S. Prasad
Company Secretary

Maharaj N R Suresh and Co
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To The Board of Directors of
Systematix Corporate Services Limited

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of **SYSTEMATIX CORPORATE SERVICES LIMITED** ("the Company") and its subsidiaries (Collectively referred to as "the Group"), which comprise of the Consolidated Balance Sheet as at 31st March 2013 and the Consolidated Statement of Profit & Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the Consolidated financial position, Consolidated financial performance and Consolidated cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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



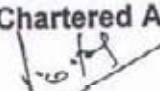
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March 2013
- b) in the case of the Consolidated Statement of Profit and Loss, of the Profit for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date

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


K.V Srinivasan
Partner
M. No 204368

Place: Mumbai
Date: 30.05.2013



SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2013

Particulars	Note No	Consolidated As at 31.03.2013 RS	Consolidated As at 31.03.2012 RS
I EQUITY AND LIABILITIES			
1 Shareholders Funds -	2	130514080	130514080
(a) Share Capital	3	369117595	347020121
(b) Reserve & Surplus			
2 Non- Current Liabilities	4	278608375	197190744
(a) Long Term Borrowings	5	6535998	10113000
(b) Deferred Tax Liabilities	6	13702418	11457005
(c) Long Term Provisions			
3 Current Liabilities	7	1142991183	1084087295
(a) Short Term Borrowings	8	466807217	342691804
(b) Trade Payable	9	35475575	150146253
(c) Other Current Liabilities	10	4460249	7081241
(d) Short Term Provisions			
		5070000	5070000
4 Minority Interest			
TOTAL		2453282690	2285371543
II ASSETS			
1 Non- Current Assets			
(a) Fixed Assets -	11	52248067	64887148
(i) Tangible Assets	12	29466773	33145234
(ii) Intangible Assets			
(b) Goodwill		23514550	23514550
(c) Non - Current Investments	13	0	877
(d) Long Term Loans and Advances	14	99998980	73590912
2 Currents Assets	15	68204031	38577606
(a) Inventories	16	591101936	417151348
(b) Trade Receivables	17	238415505	315095394
(c) Cash and Bank Balances	18	1346153500	1318925860
(d) Short Term Loans and Advances	19	4179348	482614
(e) Other current Assets			
TOTAL		2453282690	2285371543

Notes on Financial Statements

1 to 36

Vide Our report of date attached

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

K V
K V SRINIVASAN
Partner
M.NO 204368

Place: Mumbai
Date: 30.05.2013



For & on behalf of the Board of Directors

W. Khandelwal
C P Khandelwal
Chairman

Ramesh Raizada
Ramesh Raizada
Managing Director

VRNHS
VRNHS Prasad
Company Secretary

SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2013

		(Amount in Rs.)	
Particulars	Note No	Consolidated Year Ended 31.03.2013	Consolidated Year Ended 31.03.2012
REVENUE			
I. Revenue from Operations	21	477,945,460	477,137,083
II. Other Income	22	26,803,568	37,417,154
TOTAL REVENUE		504,749,028	514,554,237
III EXPENSES			
Employee Benefits Expenses	23	118,170,550	142,949,329
Finance Costs	24	139,610,882	171,787,623
Depreciation and Amortisation Expenses	11-12	15,768,644	15,728,273
Other Expenses	25	197,982,894	163,385,380
TOTAL		471,532,970	493,850,605
IV Profit before Exceptional and Extra Ordinary Items & Tax		33,216,058	20,703,632
V Exceptional Items		(53,556)	136,855
VI Profit before Extraordinary Items & Tax		33,269,614	20,566,777
VII Extraordinary Items			
VIII Profit before Tax (VII-VIII)		33,269,614	20,566,777
IX Tax Expenses		14,432,000	9,108,330
1) Current Tax		(3,577,000)	(2,213,900)
2) Deferred Tax			
X Income Tax relating to earlier year		317,140	(32,831)
XI Profit after Tax		22,097,474	13,705,178
XII Profit/(Loss) for the Period from Discontinuing Operation		-	-
XIII Tax Expense of Discontinuing Operations		-	-
XIV Profit After Tax from Discontinuing Operation (XII-XIII)		-	-
XV Profit / (Loss) After Tax (XI + XIV)		22,097,474	13,705,178
XVI Earnings Per Equity Share		1.68	1.04
1) Basic		1.83	1.36
2) Diluted			

Notes on Financial Statements

1 to 36

Vide Our report of date attached

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

K V SRINIVASAN
Partner
M.NO 204368

Place: Mumbai
Date: 30-05-2013



For & on behalf of the Board of Directors

[Signature]
C P Khandelwal
Chairman

[Signature]
Ramesh Raizada
Managing Director

[Signature]
VRNAS Prasad
Company Secretary

for

(1) Notes on Accounts

I). Significant Accounting Policies

A) General

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

B) Fixed Assets

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

C) Depreciation

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

D) Investments

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

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

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

E) Revenue and Expenditure Recognition

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



- In Respect of other heads of Income, the Company accounts the same on accrual basis
- Expenditure is accounted for on their accrual.

F) Retirement Benefits

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

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

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

G) Taxes on Income

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

H) Foreign Exchange Transaction

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

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

I) Provisions, Contingent Liabilities and Contingent Assets

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



J) Reserve Bank of India Prudential Norms:

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

Loans and advances-Asset classification and Provision norms followed pursuant to Notification DNBS (PD) CC No.279/ 03.02.001 / 2012-13 issued by Reserve Bank of India for Non Banking financial (Non deposit Accepting or Holding Companies)

Considered as	Definition	Recognition of Service charges	Provisioning Policy
A) Performing Asset			
Good	Interest in unrealized for 6 months and less	On accrual basis	0.25% of Loan amount Outstanding
B) Non performing Asset			
Sub Standard	Interest is unrealised greater than 6 to 24 months	On receipt basis	1 to 24 Months 10% of loan amount outstanding
Doubtful	Interest is unrealized for more than 24 months	On receipt basis	25 to 36 Months 20% 37 to 60 Months 30% More than 60 Months 100 %
Loss	As asset which has been identified as Loss assets.	On receipt basis	100% of loan amount outstanding



SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2013

	Par Value	Consolidated As at 31.03.2013	(Amount in Rs.) Consolidated As at 31.03.2012
2) Share Capital			
a) Authorized: 2,50,00,000 Equity Shares of Rs.10/- each	10	250000000	250000000
b) Issued 1 31 22 558 Equity Shares of Rs.10/-each	10	131225580	131225580
c)Subscribed and fully paid up 1 29 80 258 Equity Shares	10	129802580	129802580
d) Subscribed and not fully paid up 1 42 300 Equity Shares Previous year 1 46 100	10	711500	711500
Total		<u>130514080</u>	<u>130514080</u>
e) Calls unpaid By Directors		0	0
By Others 1 42 300 Equity Shares	5	711500	711500

F) List of Shareholders holding more than 5%

	31.03.2013		31.03.2012	
Particulars	Number of Shares	Percentage Holding	Number of Shares	Percentage Holding
Superstar Exports Private Limited	4268806	32.53%	4268806	32.53%
Satyamitra Stock Consultants Pvt Ltd	1345116	10.25%	1345116	10.25%
Chirayush Stock Consultants Pvt Ltd	1138186	8.67%	1138186	8.67%
Shriram Stock Market Pvt Ltd	985000	7.50%	985000	7.50%
Dhananjaya Money Management Services Pvt Ltd	669378	5.10%	669378	5.10%



SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2013

	Consolidated As at 31.03.2013	(Amount in Rs.) Consolidated As at 31.03.2012
3) Reserve And Surplus		
a) Preference Capital Redemption Reserve	26000000	26000000
b) Capital Reserve	22863600	22863600
c) Securities Premium Reserve As per last Balance Sheet	186501920	186501920
d) General Reserve As per last Balance Sheet	8819265	8819265
e) Reserv Fund U/S 45 -1C of the RBI ACT,1934		
Opening Balance	11839613	11049613
Add:		
Amount transferred from Surplus in Statement of Profit & Loss Statement Account	1330000	790000
Closing Balance	13169613	11839613
f) Surplus in Profit & Loss Statement Account		
Opening Balance	90995723	78080545
Add: Profit for the year	22097474	13705178
Less:		
Transferred to Reserve Fund u/s 45IC of the RBI, Act 1934	1330000	790000
Net Surplus in Profit & Loss Statement Account	111,763,197	90995723
Total	369117595	347020121

4) LONG TERM BORROWINGS

From Bank Secured	481051	1007686
Car Loan (Secured by Hypothecation of Vehicle)		
Other Loans & Advances-Secured	542408	883145
Car Loan (Secured by Hypothecation of Vehicle)		
Unsecured		
OFCD,s and Current Maturities of OFCD,s	0	0
a) 6% Optionally Fully Convertible Debebtures (OFCD)		
i) OFCD,S allotted on 24/03/2011 will carry a Coupon rate of 6%.		
ii) OFCD, s will be convertible in to one equity share of the company at the option of the OFCD, s holder within period of 18 Months from the date of allotment of the OFCD,s failing which the OFCD,s will be eligible for redemption at the par value of Rs 250/- per OFCD,s at the end of the said 18 Months.		
Loan from Related Parties	277584916	195299913
Total	278608375	197190744



SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2013

	Consolidated As at 31.03.2013	(Amount in Rs.) Consolidated As at 31.03.2012
5) Deferred Tax Liabilities		
a) Deferred Tax Liability on account of		
a) Depreciation	12937055	15503722
b) Deferred Tax Assets on Account of		
a) Gratuity & Provisions for Doubtful Debts & Standard Assets	-6401057	-3390722
Total	<u>6535998</u>	<u>10113000</u>
6) Long Term Provisions		
Provision for Employee Benefits	13702418	11457005
Total	<u>13702418</u>	<u>11457005</u>
7) Short Term Borrowings		
From Banks-Secured		
Overdraft Facilities	122,728,013	89047846
(Secured by pledge of Fixed Deposit with Banks)		
Secured		
a) Other Loans & Advances		
Loan against Shares (Refer Note No 27)	808,060,454	886102411
Unsecured		
a) Other Loans & Advances		
Loan against Shares/Others	212,202,716	108937038
Total	<u>1,142,991,183</u>	<u>1,084,087,295</u>
8) Trade Payable		
Services	466807217	342691804
Total	<u>466,807,217</u>	<u>342,691,804</u>
Micro enterprises and small enterprises under the Micro, Small and Medium Enterprises development Act, 2006 have been determined to the extent such parties have been identified on the basis information available with the company. There are no overdues to parties on account of principal amount and /or interest accordingly no additional disclosure have been made.		
9) Other Current Liabilities		
Current Maturities of Long Term Debt	867372	76702621
Interest Accrued & Due	0	4099504
Security Deposit	21268478	61015439
Others-Tax Deducted at Source/Service Tax/Vat	13339725	8328689
Total	<u>35475575</u>	<u>150146253</u>
10) Short Term Provision		
Provision for Stanard Assets	3239654	3168508
Provision for Taxation	0	2842698
Provision for Employee Benefits	1220595	1070035
Total	<u>4460249</u>	<u>7081241</u>



SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULE FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2013

11) Tangible Assets

11) Tangible Assets											Amt in Rs.	
Description	Gross Block			As At 31.03.2013	Depreciation			Net Block				
	As At 01-04-2012	Additions	Deductions		Up to 01-04-2012	For the Year	Withdrawn	Up To 31.03.2013	As at 31.03.2013	As at 31-03-2012		
Buildings	4,748,503	-	-	4,748,503	811,610	77,401	-	889,011	3,859,492	3,935,893		
Plant & Equipments	72,686,078	494,800	(1,534,646)	71,646,232	52,125,425	7,848,156	695,229	59,278,352	12,367,880	20,560,653		
Furniture & Fixtures	36,264,595	18,850	(388,206)	35,895,239	11,329,210	2,271,212	128,075	13,472,317	22,422,892	24,935,385		
Vehicle	19,022,478	37,000	-	19,059,478	5,063,422	1,807,202	-	6,870,624	12,188,854	13,959,056		
Office Equipments	3,040,735	-	-	3,040,735	1,545,574	85,212	-	1,631,786	1,408,949	1,495,161		
Total (11)	155,762,389	550,650	(1,922,852)	154,390,187	70,875,241	12,090,183	823,304	82,142,120	52,248,067	64,887,148		
12) Intangible Assets												
Membership in Bombay Stock Exchange	27,700,000			27,700,000	27,700,000	-		27,700,000	-	-		
Computer Software	36,784,609	-		36,784,609	3,639,375	3,678,461	-	7,317,136	29,466,773	33,145,234		
Total (12)	64,484,609	-	-	64,484,609	31,339,375	3,678,461	-	35,017,836	29,466,773	33,145,234		
Total (11+12)	200,246,998	550,650	(1,922,852)	198,874,796	102,214,616	15,768,644	823,304	117,159,956	81,714,840	98,032,382		
Previous Year	198,980,546	3,991,649	(2,725,197)	200,246,998	87,226,344	15,728,273	740,001	102,214,616	98,032,382	111,754,201		



SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULE FORMING PART OF ACCOUNTS AS AT 31ST MARCH 2013

	Consolidated As at	(Amount in Rs.) Consolidated As at
	31.03.2013	31.03.2012

13) NON CURRENT INVESTMENTS

	No of Shares	Rs	No of Shares	Rs
Others				
Investment in Equity Shares of Rs 1/- each	-	-	11401	877
The Bombay Stock Exchange Limited				
Total		-		877



SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2013

	Consolidated As at 31.03.2013	(Amount in Rs.) Consolidated As at 31.03.2012
14) Long Term Loans and Advances		
Unsecured Considered Good	21,096,061	13,887,993
Advance Income Tax (Net of provisions)	35,349,150	35,349,150
Deposits	43,553,769	24,353,769
Others		
Total	99,998,980	73,590,912
15) Inventories		
Stock in Trade	68,204,031	38,577,606
Total	68,204,031	38,577,606
16) Trade Receivables		
Unsecured-Considered Good	26,778,489	35,736,575
Exceeding Six Months	564,323,447	381,414,773
Other Debts	591,101,936	417,151,348
Unsecured-Considered Doubtful	4,134,840	2,622,125
Exceeding Six Months	(4,134,840)	(2,622,125)
Less: Provision for Doubtful Debts		
Total	591,101,936	417,151,348
17) Cash & Bank Balances		
Cash & Cash Equivalents	675,705	1,073,578
Cash on hand		
Balance with Banks		
Balance with Scheduled Banks	81,463,474	101,084,316
- in Current Accounts	156,276,326	212,937,500
- in Deposit Accounts offered as Security		
Total	238,415,505	315,095,394
* Fixed Deposit with Banks Includes	138526325	195,187,500
Lien towards Bank Guarantee	11000000	11,000,000
Lien towards Secured Loan		
Margin Deposit towards Overdraft Facility	6750000	6,750,000
Lien towards Additional Base Capital		
# Fixed Deposit with Banks Includes		10,000,000
Deposits with maturity more than 12 months		



SYSTEMATIX CORPORATE SERVICES LTD.
CONSOLIDATED SCHEDULES FORMING PART OF ACCOUNTS AS AT 31.03.2013

(Amount in Rs.)

	Consolidated As at 31.03.2013	Consolidated As at 31.03.2012
18) Short Term Loans and Advances		
SECURED CONSIDERED GOOD		
STANDARD ASSETS	816,207,249	916,506,332
Loans Against Shares		
UNSECURED CONSIDERED GOOD		
STANDARD ASSETS	486,396,577	350,895,903
Loan Against Shares		
Deposits	20,680,871	19,470,766
Advance Income Tax (Net of Provisions)	11,501,374	14,286,754
Prepaid Expenses	3,650,913	4,278,945
Mat Credit Entitlement	-	1,822,637
Others	7,716,516	11,664,323
Total	1,346,153,500	1,318,925,860
19) Other Current Assets		
Service Tax Credit Receivable	4,179,348	482,614
Total	4,179,348	482,614
20) Contingent Liabilities		
Contingent Liabilities on account of Guarantees given to banks on behalf of Group Companies	585,000,000	885,000,000
Total	585,000,000	885,000,000



SYSTEMATIX CORPORATE SERVICES LTD.

Particulars	Consolidated For Year Ended 31.03.2013	(Amount in Rs.) Consolidated For Year Ended 31.03.2012
<u>21) Revenue from Operations</u>		
Financial Advisory Services	41,088,444	35,588,273
Income from IPO & Bonds Referral	193,672	2,567,422
Brokerage & Services	205,288,870	208,859,983
Interest Received	218,331,001	226,935,165
Professional Fees	6,185,000	-
Other Operating Income	6,858,473	3,186,240
Total	477,945,460	477,137,083
<u>22) Other Income</u>		
Interest	17,376,193	23,197,153
Dividend	45,000	45,604
Registration Charges	2,200	6,600
Net Foreign Exchange Income	-	12,126
AMC charges recovered	516,400	428,836
Misc Income	7,611,264	12,932,995
Others Non Operating Income	1,252,511	793,840
Total	26,803,568	37,417,154
<u>23) Employee Benefits Expenses</u>		
Salaries, Bonus & Allowances	116,498,790	140,990,462
Contribution to Provident Fund & Other Funds	516,322	640,142
Staff Welfare	1,155,438	1,318,725
Total	118,170,550	142,949,329
<u>24) Finance Cost</u>		
Interest on Borrowings	133,511,548	163,846,921
Other Borrowing Cost	6,099,334	7,940,702
Total	139,610,882	171,787,623



SYSTEMATIX CORPORATE SERVICES LTD.

Particulars	(Amount in Rs.)	
	Consolidated For Year Ended 31.03.2013	Consolidated For Year Ended 31.03.2012
25) Other Expenses		
Rent	35,182,708	41,070,542
Rates & Taxes	693,328	1,089,521
Remissier Charges	24,340,451	36,178,634
Electricity Charges	8,066,638	7,200,132
Travelling & Conveyance	6,948,108	9,252,276
Repairs & Maintenance		
Others	6,563,817	6,298,302
Building	416,416	364,449
Auditors Remuneration*	656,891	380,926
Insurance Charges	889,295	1,241,129
Membership & Subscription	9,565,593	10,389,523
Delivery Charges to National Spot Exchange	20,998,853	-
Loss On Trading	33,711,534	-
Communication	5,318,269	7,066,153
Connectivity Expenses	5,887,512	6,704,798
Transaction Charges	13,376,350	10,908,478
Other Expenses	25,367,131	25,240,617
Total	197,982,894	163,385,380

*Additional Information

i) Statutory Audit

ii) Tax Audit

iii) Other Expenses

	486,236	246,124
	70,000	70,000
	100,655	64,802
Total	656,891	380,926



26) Principles and Assumptions

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

b) Principles used in preparing Consolidated Financial Statements

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

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

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

d) The Consolidated Profit & Loss account includes Operations of Systematix Fincorp India Limited, Systematix Finvest Private Limited and Systematix Shares and Stocks (I) Limited, the wholly owned subsidiary of the company, M/s Systematix Commodities Services Pvt Ltd wholly owned subsidiary of Systematix Shares and Stocks (I) limited and Systematix Distribution Services Pvt Ltd wholly owned subsidiary of Systematix Commodities Services Pvt Ltd. .

e) Since Systematix Finvest Private Limited become 100% subsidiary from 24.12.2010 and Systematix Shares and Stocks (I) Limited become subsidiary from 24.03.2011 the wholly owned subsidiary of the company and M/s Systematix Commodities Services Pvt Ltd become subsidiary from 24.03.2011 wholly owned subsidiary of Systematix Shares and Stocks (I) limited Consolidated Cash flow statement of the Systematix corporate group for the previous year is not prepared.

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

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

29) Non Performing Assets (NPAs) and provisions:
(Excluding Standard Assets Provision)

Particulars	2012-13	2011-12
Movement for provisions of NPA		
a) Opening balance	0.00	0.01
b) Provisions made during the year	0.00	0.00
c) Write-off/Write back of Excess Provision	0.00	(0.01)
d) Closing balance	0.00	0.00



30) Basic & Diluted Earnings Per Share:

Particulars	2012-13	2011-12
Net Profit/(Loss) attributable to equity share holders	2 20 97 474	1 37 05 178
Weighted Average of Equity shares	1 31 22 558 (face value of Rs.10/- each)	1 31 22 558 (face value of Rs.10/- each)
Basic Earnings Per Share	1.68	1.04
Net Profit/(Loss) attributable to equity share holders	2 20 97 474	1 37 05 178
Add: Interest on debenture	21 43 835	45 55 005
Adjusted Net profit for Diluted EPS	2 42 41 309	1 82 60 183
Weighted Number of equity shares outstanding for Diluted EPS	1 32 70 648 (face value of Rs.10/- each)	1 34 26 225 (face value of Rs.10/- each)
Diluted Earnings Per share	1.83	1.36

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

31. Related Party Transactions:

I) Names of Transacting Related Parties

A) Wholly Owned Subsidiaries

- Systematix Fincorp India Limited
- Systematix Finvest Private Limited

B) Subsidiary Company

- Systematix Shares & Stocks (I) Limited

C) Step subsidiary

- Systematix Commodities Services Private Limited
- Systematix Distributions Services Private Limited

D) Associate and Group Companies

- Systematix Capital Services Private Limited
- Ceepeek Real Estate Limited
- Rangsharda Properties Private Limited
- Shubham Mangalam Real Estate Pvt Limited
- Snehavardhini Properties Pvt Limited
- Tek Point Properties Private Limited
- Funsign Real Estate Pvt Limited
- Superstar Exports Private Limited.
- Topcity Trading Company Private Limited
- Riteplaza Trading Company Private Limited
- Magicline Trading Company Private Limited



- Goldflag Exports Private Limited
- Goldlife Trading Company Private Limited
- Thirdwave Merchantile Company Private Limited
- SQL Star International Limited
- Shiv Shakti Real Estate Pvt Limited
- Systematix Assets Management Company Pvt. Limited
- Nikunj Mercantile Private Limited
- Siena Infotainment Pvt limited
- Southern Wind farm Limited
- Unicorn Infra projects and Estates Pvt limited
- DDPL Global Infrastructure Pvt Limited
- Skittish Realtors Pvt Limited
- Perspire Builders & Developers Pvt 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

influence.

III) Transaction detail

Name of the Related party	Description of Transaction and amount during the year		Amount outstanding
	Rs in lakhs		
Superstar Exports Pvt Limited	Loan availed	822.85	0.00
	Loan repaid	0.00	(Cr) 2 775.85
			Liability:- Investment in 42 68 806 Equity shares 32.89%
	OFCD Interest	4.27	0.00
Systematix Capital Services Pvt Limited	Loan availed	255.75	0.00
	Loan Repaid	255.75	
Systematix Shares and stocks (I) Limited			Asset:- Investment in 41 58 700 Equity shares
Systematix Shares and Stocks (I) Limited	Guarantee for BG	5850.00	2175.00
Mr. C. P. Khandelwal	Remuneration	6.00	0
	OFCD interest	4.93	0
Mr. Ramesh Raizada	Remuneration	9.00	0
	OFCD Interest	2.01	0
Mrs Anju Khandelwal	OFCD Interest	10.22	0
Mrs Geeta Devi kahndelwal			

INR. SUR



32) Employee Benefits:

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

(Amount in Rs.)

General Description	As on 31.03.2013 Rs.	As on 31.03.2012 Rs.
i) Changes in the Present Value Of the Obligation (PVO)-		
Reconciliation of Opening and Closing Balances:		
PVO as at the beginning of the Period	1 25 27 040	10 9 03 708
Interest cost	10 69 938	8 50 489
Current service cost	35 50 604	39 61 696
Past Service Cost-(Vested Benefits)	(1 32 742)	0
Actuarial Loss/(Gain) on obligation	(20 91 827)	(31 88 853)
PVO as at the end of the period	1 49 23 013	1 25 27 040
ii) Amount recognized in the Balance Sheet and Related Analysis		
Present value of obligation	1 49 23 013	1 25 27 040
Fair value of Plan assets	0	0
Difference Liability Recognized in the Balance Sheet	1 49 23 013	1 25 27 040
iii) Expenses Recognized in the Profit & Loss account:		
Current service Cost	35 50 604	39 61 786
Interest Cost	10 69 938	8 50 489
Past Service Cost-(Vested Benefits)	0	0
Net actuarial (gain)/loss recognized In the year	(20 91 827)	(31 88 853)
Expenses recognized in the statement of Profit & Loss	25 28 715	16 23 332
iv) Principal Actuarial Assumption		
Discount Rate	8.05%	8.50%
Salary Escalation Rate	15.00%	15.00%
Attrition Rate	15.00%	15.00%
Expected Rate of Return on Plan Assets	0.00%	0.00%



33) SEGMENT INFORMATION

PARTICULARS	YEAR ENDED 31.03.2013 Rs In Lakhs	YEAR ENDED 31.03.2012 Rs In Lakhs
1. Segment Revenue		
a) Merchant Banking & Related Activities	453.39	357.66
b) Financing and other Activities	2,242.85	2,301.86
c) Equity, Commodity, Currency and Other Transactional Services	2,877.61	2,625.50
Total	5,573.85	5,285.02
Less:		
Inter Segment Revenue	526.36	139.48
Net income from Operations	5,047.49	5,145.54
2. Segment Results Profit before tax and Interest from each segment		
a) Merchant Banking & Related Activities	149.41	84.22
b) Financing and other Activities	1,684.43	1,614.41
c) Equity, Commodity, Currency and Other Transactional Services	(105.57)	226.28
Total	1,728.27	1,924.91
Less:		
a) Interest	1,396.11	1,717.88
Total Profit before Tax & Extra Ordinary Items	332.16	207.04
3. Capital Employed (Segment Assets-Segment Liabilities)		
a) Merchant Banking & Related Activities	366.11	(570.99)
b) Financing and other Activities	3,195.40	3,105.90
c) Equity, Commodity, Currency and Other Transactional Services	4,238.83	4,129.04
Total	7,800.34	6,663.95

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.



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

Vide our report of date attached


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

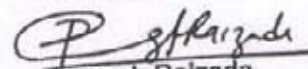
K V SRINIVASAN
Partner
M.NO 204368

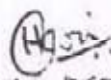
Place; Mumbai
Date; 30.05.2013



For & on behalf of Board of Directors


C P Khandelwal
Chairman


Ramesh Raizada
Managing Director


VRNHS Prasad
Company Secretary

V R

SYSTEMATIX CORPORATE SERVICES LIMITED
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31ST MARCH 2013

	2012-13
	RS
A. CASH FLOW FROM OPERATING ACTIVITIES	33,216,058
Net Profit before Tax and extra ordinary items	15,768,644
Adjustments for : -	(17,421,193)
1 Depreciation	-
2 Interest/Dividend Received	855,548
3 Loss/(Profit) on Sale of Investments	32,419,057
4 Loss on Sale of Assets	-
Operating profit before working capital changes	(234,501,387)
Adjustments for : -	(5,679,984)
2 Trade and Other Receivables	-
3 Trade Payable Net of Lease Terminal Adj. A/c	(26,408,068)
4 Adjustments for Merger of Subsidiary	(234,170,382)
Long Term Loans & Advances	133,511,548
Cash Generated from operation	(100,658,834)
Interest Paid	(53,556)
Cash Flow Before extraordinary items	(100,605,278)
Extraordinary Items	-
Net Cash from/ (Used) in Operating activities	(550,650)
B CASH FLOW FROM INVESTING ACTIVITIES	244,000
1 Purchase of Fixed Assets	-
2 Sale of Fixed Assets	877
3 Purchase of Investments	17,421,193
4 Sale of Investments	17,115,420
5 Interest Received	-
Net Cash from/ (Used) in Investing Activities	-
C CASH FLOW FROM FINANCING ACTIVITIES	140,321,517
1 Proceeds from issue of Share Capital	(133,511,548)
2 Proceeds from Long and Short Term Borrowings	6,809,968
3 Interest Paid	(76,679,889)
Net Cash from financing activities	315,095,394
Net increase in Cash and Cash equivalents (A+B+C)	238,415,505
Cash and Cash equivalents as (Opening Balance)	-
Cash and Cash equivalents as (Closing Balance)	-

Vide Our report of date attached

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

K V SRINIVASAN
Partner
M.NO 204368

Place:Mumbai
Date: 30-05-2013



For & on behalf of the Board of Directors

C P Khandelwal
Chairman

Ramesh Raizada
Managing Director

V R N H S Desai
Company Secretary

For

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

Name of Subsidiary Company	Systematix Shares & Stocks (I) Limited	Systematix Fincorp India Limited	Systematix Finvest Private Limited	Systematix Commodities Services Private Limited	Systematix Distributions Services Private Limited
	31 st March, 2013	31 st March, 2013	31 st March, 2013	31 st March, 2013	31 st March, 2013
1. The financial year of the subsidiary companies ended on					
2. a. Number of shares held by Systematix Corporate Services limited with its nominees in the subsidiarys at the end of the financial year of the subsidiary companies	4158700 equity shares of Rs. 10 each.	1675845 equity shares of Rs. 10 each.	187820 equity shares of Rs. 100 each.	15800 equity shares of Rs. 10 each held by Systematix Shares & Stocks (I) Limited (SSSIL).	9800 equity shares of Rs. 10 each held by Systematix Commodities Services Pvt. Ltd.
b. Extent of interest of holding company at the end of the financial year of the subsidiary company	99.88%	100.00%	100.00%	98.75% (held by SSSIL)	98.00 % (held by Systematix Commodities Services Pvt. Ltd.)
3. The net aggregate amount of the subsidiary companies profit /(loss) so far as it concerns the members of the holding company					
a. Not dealt with in the holding company's accounts					
i) For the financial year ended 31 st March, 2013	Rs. 3811879	Rs. 3770935	Rs. 2801620	Rs. 309919	Rs. 67985
ii) For the previous financial years of the subsidiary companies since they became the holding company's subsidiarys.	Rs. 7053745	Rs. 3933832	Rs. (2105846)	Rs. 1521095	Rs. (1102)
b. dealt with in holding company's					

accounts:					
i) For the financial year ended 31st March, 2013	Nil	Nil	Nil	Nil	Nil
ii) For the previous financial years of the subsidiary companies since they became the holding company's subsidiaries	Nil	Nil	Nil	Nil	Nil

Date: 30/05/2013

Place: Mumbai

For & on behalf of the board of directors

Sd/-
Chandra Prakash Khandelwal
Managing Director

Sd/-
Ramesh Kumar Raizada
Managing Director

Sd/-
V R N H S Prasad Sanka
Company Secretary

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

ATTENDANCE SLIP

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

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

I hereby record my presence at the TWENTY EIGHTH ANNUAL GENERAL MEETING of the Company, held at 206-207, Banshi Trade Centre, 565/581, M. G. Road, Indore- 452001, on Monday, 30th September, 2013 at 10.00 a.m. as a shareholder /Proxy.

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

NOTE: The Copy of Annual Report may please be brought to the meeting hall.

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

Folio No._____

I/We_____of _____name
being member of above Company, hereby appoint Shri/Smt./ Kum._____ of _____
In the district of _____ or failing him/ her Shri/ Smt. /Kum. _____
In the district of _____ for me / us on my/ our behalf at the TWENTY EIGHTH
ANNUAL GENERAL MEETING of the Company, to be held on 30th September, 2013 and any adjournment thereof.

Signed this _____ Day of _____ 2013

Affix a 1 Rupee Revenue Stamp
--

Signature of the Share Holder

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