



**31<sup>st</sup>**  
**Annual Report**  
**2016-2017**

**SYSTEMATIX**  
**SECURITIES LIMITED**

# ANNUAL REPORT 2016 -17

## **Board of Directors**

1. Shri Sudhir Samdani
2. Shri Jagdish Rathi
3. Shri Rakesh Sethiya
4. Shri Bhagwati Prasad Sharma
5. Mrs Swati Chhajed

Managing Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

## **Statutory Auditors**

Sethiya Khandelwal & Co.,  
Chartered Accountants  
209, Manas Bhavan Ext.  
11, R.N.T. Marg, Indore M.P.

## **Company Secretary**

Madhu Bala Sharma

## **Bankers**

State Bank of India  
Axis Bank

## **Listed At**

Bombay Stock Exchange Ltd, Mumbai  
Kolkata Stock Exchange Association

## **Registrar & Share Transfer Agents**

Ankit Consultancy Pvt. Ltd.  
Plot No. 60, Electronic Complex,  
Pardesipura, Indore - 452010 (M.P)  
Phone: 0731-2551745-46  
Fax: 0731-4065798  
Email ID: [ankit\\_4321@yahoo.com](mailto:ankit_4321@yahoo.com)

## **Administrative Office:**

22, Gumasta Nagar,  
Indore – 452009 (M.P)

## **Registered Office**

SYSTEMATIX SECURITIES LTD.  
CIN: L65999WB1986PLC040357  
Registered Office: 237, Kamalaya centre,  
156-A Lenin Sarani, Kolkata (WB)  
WEB: <http://www.systematixsecurities.com>  
EMAIL: [systematixctor@gmail.com](mailto:systematixctor@gmail.com)  
Phone: 033-22157781 Fax: 033-22155378

**NOTICE**

Notice is hereby given that the 31<sup>st</sup> Annual General Meeting of the Members of **Systematix Securities Ltd.** will be held on Monday, 25<sup>th</sup> September, 2017 at 10.30 A.M. at 237, Kamalaya Centre, 156-A Lenin Sarani Road, Kolkata INDIA, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2017 and Statement of Profit & Loss Account of the Company for the year ended on the same date together with the Report of Board of Directors and Auditors thereon.
2. To appoint Statutory auditor in place Auditor retiring on rotational basis and fix their remuneration, by passing, with and without modification(s), the following resolution as an Ordinary Resolution

**“RESOLVED THAT** pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. B. K. Dad & Associates, Chartered Accountants, Chittorgarh registered with the Institute of Chartered Accountants of India vide ICAI Registration No. 018840C, be and are hereby appointed as Statutory Auditors of the Company in place of the retiring auditors, M/s. Sethiya Khandelwal & Co., Chartered Accountants, Indore registered with the Institute of Chartered Accountants of India vide ICAI Registration No. 004058C to hold such office from the conclusion of this Annual General Meeting till the conclusion of the Thirty Sixth Annual General Meeting of the Company to be held in the calendar year 2022, Subject to ratification by the Members at every Annual General Meeting, at such remuneration as may mutually agreed between the Board of Directors of the Company and the auditors.

**SPECIAL BUSINESS:**

3. **To adopt new set of Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, pass, with or without modification(s), the following resolution as a special resolution:**

**“RESOLVED THAT** pursuant to the provisions of section 5 and 14 of Companies Act, 2013 (‘the Act’), Schedule I made thereunder, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the new set of Articles of Association pursuant to the Act primarily based on the Form of Table F under the Act, be and is hereby approved and adopted as new set of Articles of Association in the place of existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving full effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** Shri Sudhir Samdani Managing Director and Shri Jagdish Rathi Director be and are hereby severally authorised to do all such acts, deeds and things as may be required to give effect to the above resolution(s)

4. **Amendment(s) to Memorandum of Association of the Company and in this regard to consider and if thought fit, to pass, the following resolution as a Special Resolution**

**"RESOLVED THAT** pursuant to the provisions of section 13 of Companies Act, 2013 ('the Act'), read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or reenactment thereof for the time being in force), and such other rules and regulations, as may be applicable, the consent of the Company be and is hereby accorded for alteration of Memorandum of Association of the Company by deleting Clause C – OTHER OBJECTS and accordingly Memorandum of Association will no longer carry Other Objects.

**RESOLVED FURTHER THAT** for the purpose of giving full effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** Shri Sudhir Samdani, Managing Director, Shri Jagdish Rathi Director, be and are hereby severally authorised to do all such acts, deeds and things as may be required to give effect to the above resolution(s)."

**By Order of the Board of Directors  
For SYSTEMATIX SECURITIES LTD**

**Place: Indore  
Date: 11/08/2017**

**(Madhu Bala Sharma)  
Company Secretary**

**Notes:-**

- **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN MEETING INSTEAD OF HIMSELF/HERSELF AND SUCH PERSON NEED NOT BE THE MEMBER OF THE COMPANY.** The Instrument appointing the proxy, duly completed, must be deposited at the Company's Registered Office of the Company not less than 48 hours before the commencement of Meeting.
- A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carry voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member. A proxy form for the Annual General Meeting is enclosed.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- The Members are requested to:
  - a) Intimate changes, if any, in their registered addresses immediately.
  - b) Quote their ledger folio number in all their correspondence.
  - c) Hand over the enclosed attendance slip, duly signed in accordance with their specimen registered with the Company for admission to the meeting place.
  - d) Bring their Annual Report and Attendance Slips with them at the AGM venue.
  - e) Send their Email address to us for prompt communication and update the same with Company to receive softcopy of the Annual Report of the Company.
- Corporate Members are requested to forward a Certified Copy of Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
- Members may also note that Notice of this Annual General Meeting and the Annual Report for financial year 2016-17 will also be available for the Company's website i.e <http://www.systematixsecurities.com>
- The Register of Members and share transfer book of the Company will remain closed during the period from Tuesday 19<sup>th</sup> Day of September, 2017 to Monday 25<sup>th</sup> Day of September, 2017 (both days inclusive) for the purpose of Annual General Meeting.
- A statement pursuant to Section 102(1) of the Companies Act 2013, relating to the special business to be transacted at the meeting is annexed hereto.
- Members are requested to send their queries, if any at least 7 days in advance so that the information can be made available at the meeting.
- Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such folio and send relevant share certificates to companies Registrar and Share Transfer Agent for their doing needful.
- Members are requested to contact the Registrar and Share Transfer Agent for all matter connected with Company's shares at Ankit Consultancy Private Limited, 60 Pardeshipura, Electronic Complex, Indore M.P.
- The Company has designated an exclusive email ID [systematixctor@gmail.com](mailto:systematixctor@gmail.com) which would enable the members to post their grievances and monitor its redressed. Any member having any grievance may post the same to the said Email address for its quick redressal.
- SEBI have made it mandatory for every participant in the securities/ capital market to furnish the detail of Income Tax Permanent Account Number (PAN). Accordingly, all shareholders

holding shares in the physical form are requested to submit details of PAN along with a photocopy of both the sides of the PAN Card, duly attested, to the Registrar and Share Transfer Agent.

- Additional information pursuant to Regulation 36(3) of the Listing Regulation with the stock exchanges in respect of the Directors seeking appointment / re-appointment at the AGM is furnished and forms a part of the Annual Report. The Directors have furnished the requisite consents/declarations for their appointment /re-appointment.
- Electronic copy of the Annual Report for 2017 is being sent to all the Members whose e-mail ids are registered with the Company for communication purposes unless any Member has requested for a hard copy of the same. For the Members who have not registered their e-mail address, physical copies of the Annual Report for 2017 is being sent in the permitted mode. Members who do not yet register their e-mail id so far are requested to register the same with the Company. Members are also requested to intimate to the Company the changes, if any in their e-mail address.
- The Ministry of Corporate Affairs ('MCA') has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by companies and has issued Circular No. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. The Company proposes to send the documents to its Members like notices, annual report, etc. in electronic form. Members are requested to provide their email ID to our Registrar Ankit Consultancy Private Limited, 60 Pardeshipura, Electronic Complex, Indore M.P for sending the document in electronic form.
- The businesses as set out in the Notice may be transacted through electronic voting system and the Company shall provide a facility for voting by electronic means. In compliance with the provisions of section 108 of the Companies Act, 2013 read with Rule 20 of the companies (Management and Administration) Rules, 2014, the company is pleased to offer the facility of the voting through electronic means, as an alternate, to all its members to enable them to cast their votes electronically instead of casting their vote at the meeting. If a member has opted for e-voting, then he/she should not vote by physical ballot also and vice-versa. However, in case members cast their vote both via physical ballot and e-voting, then voting through electronic mode shall prevail and voting done by physical ballot shall be treated as invalid. For E-voting facility, the Company has entered into an agreement with the CDSL for facilitating E-voting. The Procedure and instructions for E-voting given below:

**Instructions for shareholders voting through electronic means:**

- (i) The e-voting period begins on Friday, 22<sup>nd</sup> September, 2017 from 9.00 A.M. and ends on Sunday, September, 24<sup>th</sup> 2017 at 5.00 p.m. During this period shareholders' of the Company, as on the cut-off date (record date) of Monday 18<sup>th</sup> September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "SYSTEMATIX SECURITIES LTD." from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)-</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the <b>folio sequence</b> number in the PAN Field.</li> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</li> </ul>
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

(ix) After entering these details appropriately, click on "SUBMIT" tab

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <SYSTEMATIX SECURITIES LTD.> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

**Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
- M/S Anil Somani & Associates, Practicing Company Secretary (Membership No. A36055) has been appointed as the scrutinizer to receive and scrutinize the completed ballot forms and votes casted electronically by the members in a fair and transparent manner.
- The scrutinizer, immediately after conclusion of voting at the Annual General Meeting shall first count votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make not later than two days of conclusion of the meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman of the meeting or any other Director of the Company, who shall countersign the same and declare the result of the voting forthwith
- The Results shall be declared on or after the AGM of the Company. The results declared along with the scrutinizer's Report shall be placed on the Company's website <http://www.systematixsecurities.com> and website of CDSL and will be communicated to the stock exchange.

Relevant documents referred to in this Notice are open for inspection at the registered office of the Company on all working days (except Saturdays) between 11.00 a.m. to 1.00 p.m. up to the date of ensuing annual general meeting.

**Statement pursuant to Section 102(1) of the Companies Act, 2013****Item No. 3**

The Articles of Association ("AOA") of the Company is presently in force since its incorporation of the Company i.e. 1986. The existing Articles of Association are in line with the erstwhile

Companies Act 1956, which are thus no longer in full conformity with the Companies Act, 2013 ("New Act "). The New Act is now largely in force and substantive section of the Act which deal with the general working of companies stand notified. With the Coming into force of the Act several articles of the existing Articles of Association of the Company require alteration/deletion. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles. It is thus expedient to adopt new set of Articles of Association (primarily based on table F set out under the Companies Act, 2013), in place of existing Articles of Association of the Company instead of amending the Articles of Association by alteration/incorporation of provisions of the Companies Act, 2013.

In terms of section 5 and 14 of the Companies Act 2013, the consent of the members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on any working day, except Saturdays, between 11.00 a.m. to 6.00 p.m. None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested in the said resolution.

**Item No. 4**

As per the provisions of section 4 of the Companies Act, 2013, read with the Companies (Incorporation) Rules, 2014 the Memorandum of Association of the Company will no longer carry other objects Clause. However, the existing Memorandum of Association of the Company carries other objects Clause.

In order to comply with section 4 of the Act, it is proposed to alter Memorandum of Association of the Company by deleting Clause C – OTHER OBJECTS and accordingly Memorandum of Association will no longer carry other objects.

A copy of the proposed set of new Memorandum of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on any working day, except Saturdays, between 11.00 a.m. to 6.00 p.m.

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

**By Order of the Board of Directors  
For SYSTEMATIX SECURITIES LTD**

**Place: Indore**

**Date: 11/08/2017**

**(Madhu Bala Sharma)  
Company Secretary**

**DIRECTORS' REPORT**

**To the Members,**

Your Directors have pleasure in presenting their 31<sup>st</sup> **Annual Report** and the Audited Accounts for the Financial Year ended **31<sup>st</sup> March 2017**.

**Financial Results and Operations:****(Rupees in Lacs)**

	<b>2016-17</b>	<b>2015-16</b>
Total Income	43.67	45.33
Total Expenditure	31.89	30.85
<b>Profit/Loss before tax</b>	<b>11.78</b>	<b>14.48</b>
Provision for Tax		
Current Tax	2.09	4.07
Deferred Tax	0.00	0.00
Earlier Year Tax	0.00	0.00
<b>Profit/Loss after tax</b>	<b>9.69</b>	<b>10.41</b>
No. of Equity Shares	5000000	5000000
Earning per share (Rs.10/- each) Basic & Diluted (in Rs.)	0.19	0.23

**DIVIDEND**

To provide more strength to the company, your Directors have not recommended any dividend for the year under review

**FIXED DEPOSITS**

Your company has not accepted or invited any deposits from public under Companies Act 2013, during the year under review.

**DIRECTORS:**

In the opinion of the Board all the Independent directors fulfills the conditions specified in the Act and the Rules made there under as the Regulation 25 of the Listing Regulation for their appointment as Independent Directors of the Company.

In accordance with the provision of the Companies Act, 2013 no director is liable to retire by rotation as independent directors are proposed to appoint for five years in forthcoming annual general meeting and managing director is not liable to retire by rotation.

**DIRECTOR'S RESPONSIBILITIES STATEMENT**

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Director's Responsibility Statement, your directors hereby confirm:

- I) That in the preparation of the annual accounts for the financial year ended 31st March 2017; the applicable accounting standards have been followed;
- II) That they have selected such accounting policies and applied them consistently and made judgments, and estimate that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the year under review;
- III) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of this Act, for safeguarding the assets of the Company and for preventing and detecting Fraud and other irregularities.

- IV) That they have prepared the annual accounts on a going concern basis.
- V) That they have laid down internal financial controls in the company that are adequate and were operating effectively.
- VI) That they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

**AUDITORS:**

As per Section 139 of the Companies Act, M/s. Sethiya Khandelwal & Co., Chartered Accountants, Indore, retires as Statutory Auditors of the Company. Your Board places on record their appreciation for the services provided by M/s. Sethiya Khandelwal & Co., Chartered Accountants, as Statutory Auditor of the Company for over a decade. Based on the recommendations of the Audit Committee and upon review of confirmations of satisfaction of criteria as specified in Section 141 of the Companies Act, 2013 read with Rule 4 of Companies (Audit & Auditors) Rules, 2014, your Board had, subject to approval of the Members at the ensuing Annual General Meeting, approved appointment of M/s. B.K. Dad & Associates Chartered Accountants (Firm Registration No. 018840C) as Statutory Auditors of the Company in place of retiring Statutory Auditors M/s. Sethiya Khandelwal & Co., Chartered Accountants, Indore. A proposal seeking Members approval for appointment of M/s. B. K. Dad, Chartered Accountants as Statutory Auditors of the Company until conclusion of 36<sup>th</sup> Annual General Meeting to be held in the year 2022, subject to ratification by Shareholders at every AGM, forms part of the Notice of ensuing Annual General Meeting

**COMMENTS ON AUDITORS REPORT**

The Board has duly reviewed the Statutory Auditors' Report on the Accounts. The observations and comments, if any, appearing in the Auditors' Report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors.

**AUDIT COMMITTEE**

Under the provisions of section 177 of Companies Act, 2013 and Listing Regulation with the Stock Exchanges an Audit Committee Comprises of Shri Jagdish Rathi, Shri Rakesh Sethiya and Shri Bhagwati Prasad Sharma are independent directors of the Company.

**CORPORATE GOVERNANCE:**

A separate section titled "Corporate Governance" including a certificate from the Auditors of the Company confirming compliance of the conditions of the Corporate Governance as stipulated under Regulation 27 of the Listing Regulation and also the Management Discussion and Analysis Report and CEO certification are annexed hereto and form part of the report.

**PARTICULARS OF EMPLOYEES**

The Company did not have any employee, during the year drawing remuneration attracting the provision of section 197 read with rule 5 of the Companies Act, 2013 read with the Companies (particulars of employees) Rule 1975. The company continued to have cordial and harmonious relations with employees. In totality our employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market condition.

**HUMAN RESOURCES DEVELOPMENT**

Your Company believes that nurturing and development of human capital is of key importance for its operations, The HR policies and procedures of your Company are geared up towards this objective. In totality our employees have shown a high degree of maturity and responsibility in responding to the changing environment, economic and the market condition.

**CODE OF CONDUCT**

The company has laid-down a code of conduct for all Board members and senior management of the Company. All the Board members and senior management personnel have affirmed compliance

with the code of conduct. The code of conduct has posted on website of the company i.e <http://systematixsecurities.com>

**EXTRACT OF ANNUAL RETURN**

The detail forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as **Annexure-A**

**CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In terms of section 135 and Schedule VII of the Companies Act, 2013 are not applicable to our company. So there is not constituted a CSR Committee of the Board.

**SECRETARIAL AUDIT**

Pursuant to provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, your Company engaged the services of M/s Anil Somani & Associates, Company Secretary in Practice, Bhilwara to conduct the Secretarial Audit of the Company for the financial year ended March 31, 2017. The Secretarial Audit Report (in Form MR-3) is attached as **Annexure-B** to this Report

**RELATED PARTY TRANSACTIONS**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interest of the company. Transactions with related parties entered by the company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as **Annexure-C**

The board of Director of the company has on the recommendation of the Audit Committee adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules thereunder and the Listing Regulations. This Policy was considered and approved by the Board has been uploaded on the website of the company at [www.systematixsecurities.com](http://www.systematixsecurities.com) under investors/policy documents/Related Party Policy link.

**LISTING OF THE SHARES**

Equity shares of the company are listed on Kolkata Stock Exchange and Bombay Stock Exchange.

**BOARD MEETING HELD DURING THE YEAR**

During the year, 4 meetings of the Board of Directors were held. The dates on which board meeting were held are as follow:

30<sup>th</sup> May, 2016, 12<sup>th</sup> August, 2016, 14<sup>th</sup> November, 2016, and 13<sup>th</sup> February, 2017.

**ACKNOWLEDGMENT:**

The Board places on record its deep appreciation of the devoted services of loyal workers, executives and other staff of the Company, who have contributed to the performance and company's continue inherent strength. Your directors also wish to thank the banks and other stakeholders for their continued support and faith respond in the Company. We look forward to their continued support in the future.

**For and behalf of the Board**

**Date: 30.05.2017**

**Place: Indore**

**Sudhir Samdani**  
**Managing Director**  
**DIN No. 00890642**

**Jagdish Rathi**  
**Director**  
**DIN No. 01211509**

## ANNEXURE- A

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31.03.2017 Of**  
**SYSTEMATIX SECURITIES LIMITED**

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

**I. REGISTRATION & OTHER DETAILS:**

- i) CIN : L65999WB1986PLC040357
- ii) Registration Date : 17/03/1986
- iii) Name of the Company : SYSTEMATIX SECURITIES LIMITED
- iv) Category/Sub-Category of the Company : Company having Share Capital
- v) Address of the Registered office and contact details : 237, Kamalaya Centre, 156-A Lenin Sarani, Kolkata  
Tel. No. : 033-22157781-378  
E- id: systematixctor@gmail.com  
Website: www.systematixsecurities.com
- vi) Whether listed company : Yes (Listed in BSE)
- vii) Name, Address and Contact details of Registrar & Transfer Agent, if any : Ankit Consultancy Pvt. Ltd  
Plot No. 60, Electronic complex,  
Pardesipura ,  
Indore -452010 (M.P.)

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Finance Service	64990	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	NA	NA	NA	NA	NA

## IV. SHAREHOLDING PATTERN (Equity Share Capital Break up as percentage of Total Equity)

## i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	0	800000	800000	16.00	0	800000	800000	16.00	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt. (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	1200000	1200000	24.00	0	1200000	1200000	24.00	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	0	2000000	2000000	40.00	0	2000000	2000000	40.00	0
<b>(2) Foreign</b>	0	0	0	0	0	0	0	0	0
a) NRIs-Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	0	2000000	2000000	40.00	0	2000000	2000000	40.00	0
<b>B. Public Shareholding</b>	0	0	0	0	0	0	0	0	0
<b>1. Institutions</b>	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0

<b>2. Non-Institutions</b>	0	0	0	0	0	0	0	0	0
a) Bodies Corp.	0	19900	19900	0.40	0	19900	19900	0.40	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	0	1025800	1025800	20.52	0	1025800	1025800	20.52	0
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	0	1952900	1952900	39.06	0	1952900	1952900	39.06	0
c) Others (NRI & OBC)	0	1400	1400	0.03	0	1400	1400	0.03	0
c) Others (CLEARING MEMBER)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	0	3000000	3000000	60.00	0	3000000	3000000	60.00	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	0	3000000	3000000	60.00	0	3000000	3000000	60.00	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	0	5000000	5000000	100	0	5000000	5000000	100	0

**Shareholding of Promoters:**

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total share	No. of Shares	% of Total Shares of the company	% of Shares Pledged/ encumbered to total share	
1	Systematix Corporate Services Ltd.	569000	11.38	0	569000	11.38	0	0
2	Madhu Khandelwal	377500	7.55	0	377500	7.55	0	0
3	Neelam Sethiya	377500	7.55	0	377500	7.55	0	0
4	Cactus Software P.Ltd.	300000	6.00	0	300000	6.0	0	0
5	Systematix Leasing & Investment Ltd	133000	2.66	0	133000	2.66	0	0
6	Microse Fund Management P. Ltd	109000	2.18	0	109000	2.18	0	0
7	Tarnado Investments & Sales	66000	1.32	0	66000	1.32	0	0
8	Systematix Mercantile Ltd.	23000	0.46	0	23000	0.46	0	0

9	Anand Sethiya	10000	0.20	0	10000	0.20	0	0
10	C.P.Khandelwal	10000	0.20	0	10000	0.20	0	0
11	Basant Sethiya	5000	0.10	0	5000	0.10	0	0
12	Rakesh Sethiya	5000	0.10	0	5000	0.10	0	0
13	Manish Vaidhya	5000	0.10	0	5000	0.10	0	0
14	Ravi Vaidhya	5000	0.10	0	5000	0.10	0	0
15	Manoj Gupta	5000	0.10	0	5000	0.10	0	0
	Total	2000000	40.00	0	2000000	40.00	0	0

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	NO	NO	NO	NO
Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/ transfer/ bonus/ sweat equity etc):	There is no change in promoter's holding during the year			
At the End of the year	NO	NO	NO	NO

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

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	%of total shares of the company	No. of shares	% of total shares of the company
1	Dinesh Kumar Inani	119400	2.39	119400	2.39
2	Uday Bhaskar	99100	1.98	99100	1.98
3	Rajji Nambiyar	89600	1.79	89600	1.79
4	S.K.Inani	81900	1.64	81900	1.64
5	Arpit Rawat	78000	1.56	78000	1.56
6	Pankaj Panwar	78000	1.56	78000	1.56
7	Vinod Menariya	78000	1.56	78000	1.56
8	Rajesh Sharma	75800	1.52	75800	1.52
9	Dhanroopmal Soni	71300	1.43	71300	1.43
10	Gopal Maliwal	68200	1.36	68200	1.36

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Rakesh Sethiya	5000	0.10	5000	0.10

**V.INDEBTEDNESS**

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

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

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

A. Remuneration to Managing Director, Whole-time Directors and/ or Manager: (Amt in Lac)

Sl. No.	Particulars of Remuneration	Name of MD/WT/ Manager		Total Amount
1.	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	-	-	-
	Ceiling as per the Act	-	-	-

*B .Remuneration to other directors:*

Sl. No.	Particulars of Remuneration	Detail			Total Amount
<b>1.</b>	<b>Independent Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (1)</b>				
<b>2.</b>	<b>Other Non-Executive Directors</b>				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	<b>Total (2)</b>				
	Total (B)=(1+2)				

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,89,000	-	1,89,000
	(b) Value of perquisites u/s17 (2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- Others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	1,89,000	-	1,89,000

## VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any, (give details)
<b>A. Company</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
<b>B. DIRECTORS</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None
<b>C. OTHER</b>					
Penalty	None	None	None	None	None
Punishment	None	None	None	None	None
Compounding	None	None	None	None	None

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

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

To,  
The Members,  
**Systematix Securities Ltd.**  
237, Kamalaya centre 156-A Lenin Sarani ,  
Kolkata - 700055 West Bengal

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Systematix Securities Ltd.**, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliance's and expressing our opinion thereon.

**Management's Responsibility for Secretarial Compliance's**

The company's Management is responsible for preparation and maintenance of secretarial records and for devising proper system to ensure compliance with the provisions of applicable laws and regulations.

**Auditor's Responsibility**

My responsibility is to express an opinion on the Secretarial records, Standards, Procedures followed by the company with respect to Secretarial Compliance's.

I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for me to provide a basis for my opinion.

**Opinion**

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2017** complied with the statutory provisions listed here-under and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2017** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **N. A.**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *(not applicable since there is no action/ event in pursuance of said regulation)* **N.A.**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *(not applicable since there is no action/ event in pursuance of said regulation)* **N.A.**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and *(not applicable since there is no action/ event in pursuance of said regulation)* **N.A.**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *(not applicable since there is no action/ event in pursuance of said regulation)* **N.A.**
- (vi) The Environment (Protection) Act, 1986
- (vii) The EPF & Misc. Provisions Act, 1952;
- (viii) Employees' state Insurance Act, 1948;
- (ix) The Payment of Bonus Act, 1965;
- (x) The payment of Gratuity Act, 1972

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

#### **We further report that**

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

For **Anil Somani & Associates**  
Company Secretaries

**Anil Kumar Somani**  
**ACS : 36055**  
**COP :13379**

Place: Bhilwara  
Date: 30<sup>th</sup> May, 2017

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

**Annexure - A****Annexure to Secretarial Audit Report**

To,  
The Members,  
**Systematix Securities Ltd.**  
237, Kamalaya centre 156-A Lenin Sarani,  
Kolkata -700055 West Bengal

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

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

For **Anil Somani & Associates**  
Company Secretaries

**Anil Kumar Somani**  
**ACS : 36055**  
**COP :13379**

Place: Bhilwara  
Date: 30<sup>th</sup> May, 2017

**ANNEXURE C****Form AOC -2**

(Pursuant to clause (h) of sub section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

**Details of contracts or arrangements or transactions not at Arm's length basis:**

S. No.	Particulars	Details
1	Name(s) of the related party & nature of relationship	Nil
2	Nature of contracts/arrangements/transaction	Nil
3	Duration of the contracts/arrangements/transaction	Nil
4	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
5	Justification for entering into such contracts or arrangements or transactions	Nil
6	Date of approval by the board	Nil
7	Amount paid as advances, if any	Nil
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

## **REPORT ON CORPORATE GOVERNANCE**

A report of the financial year ended 31<sup>st</sup> March, 2017 on the compliance by the company with the corporate governance requirement under Regulation 34 read with Schedule V of the SEBI (Listing Obligation & Disclosure Requirement) Regulation 2015 is furnished below:

### **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Systematix Securities Limited recognises the ideals and importance of corporate governance and acknowledges its responsibilities towards all its shareholders, employees, customers and regulatory authorities. The Company believes that a good corporate governance process aims to achieve a balance between the shareholders' interest and corporate goals of the Company. It aims to attain the highest levels of transparency, accountability and integrity to all its shareholders by implementing transparent corporate governance, thereby enhancing the value of the shareholders and their Company.

### **BOARD OF DIRECTORS**

- I) The Company's policy is to maintain an optimum combination of Executive and non Executive Independent directors. The Composition of your Company's Board, which comprises of five directors, is given in the table below and is in conformity with Regulation 17 of the Listing Regulation and with stock exchange.

As will be seen from the following table, none of the directors hold directorship in more than ten public companies, nor is any of them a member of more than ten committees of the prescribed nature or holds chairmanship of more than five such committee across all public limited companies in which they are directors. The Board does not have any nominee director representing any institution.

The last Annual General meeting was held on 26<sup>th</sup> September 2016.

Name of Director	Category	No. of Board Meeting Attended	Other Directorship		Committee Position other than Company		Whether attended last AGM held on 26.09.2016
			Chairman	Member	Chairman	Member	
Shri Sudhir Samdani (DIN 00890642)	Managing Director	4	NIL	NIL	NIL	NIL	Yes
Shri Jagdish Rathi (DIN 01211509)	Non Executive Independent Director	4	NIL	NIL	NIL	NIL	Yes
Shri Rakesh Sethiya (DIN 00631953)	Non Executive Independent Director	2	NIL	1	NIL	NIL	No
Shri Bhagwati Prasad Sharma (DIN 01174001)	Non Executive Independent Director	4	NIL	NIL	NIL	NIL	Yes
Mrs. Swati Chhajed (DIN 07159739)	Non Executive Independent Director	3	NIL	NIL	NIL	NIL	Yes

**Note:** This includes directorship in public limited companies and subsidiary of public limited companies and excludes directorship in Private Limited Companies, overseas companies, companies under section 8 of the Companies Act, 2013 and alternate directorship.

Board Meetings are governed by a structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

The necessary quorum remained present in all the meetings. Leave of absence was granted to the concerned directors who could not attend the respective Board Meeting. In financial year 2016-17 Four Board Meetings were held and the gap between two meetings did not exceed 120 Days. The dates on which the said Meetings were held are as follows:

30.05.2016	12.08.2016	14.11.2016	13.02.2017
------------	------------	------------	------------

None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company which is prejudicial to the interest of the company.

**ii) Inter-se relationship among directors**

There is no inter-se relationship among the any of the directors of the Company.

**iii) Role of Independent Director**

Independent Directors play a key role in the decision making process of the Board and in shaping various strategic initiatives of the Company. The Independent directors are committed to act in what they believe to be in the best interest of the Company and its stakeholders. The Independent Directors are professionals, with expertise and experience in general corporate management, public policy, finance, financial services and other allied fields. The Company benefits immensely from their inputs in achieving its strategic direction. The Independent Directors held a meeting on 10<sup>th</sup> February 2017 without the attendance of Non- Independent directors and Member of Management. All the independent directors were present at the meeting.

**iv) Shareholding of Non-executive Director**

The Number of equity shares held by Non-Executive Directors as on 31.3.2017 were as under:

Name of Director	No. of shares
Shri Jagdish Rathi (DIN 01211509)	NIL
Shri Rakesh Sethiya (DIN 00631953)	5000
Shri Bhagwati Prasad Sharma (DIN 01174001)	NIL
Mrs. Swati Chhajer (DIN 07159739)	NIL

**v) Details of the Directors seeking re-appointment at the forthcoming Annual General Meeting as per Regulation 36 of the Listing Regulation. Notes on Directors appointment / re-appointment.**

**1 Board Procedure**

A detailed agenda folder is sent to each Director in advance of Board and Committee meetings. To enable the Board to discharge its responsibilities effectively, the Executive Director briefs the Board at every meeting on the overall Company performance and compliance of the company wherever applicable.

**Committees of the Board**

**(I) Audit Committee (Mandatory Committee)**

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board of Directors to oversee the financial reporting process of the

Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. The Audit Committee consisting of Shri Jagdish Rathi, Shri Rakesh Sethiya, and Shri Bhagwati Prasad Sharma all of above Directors are Independent directors. All the members of the committee are financially literate.

### I) Meeting and Composition

The Composition of Audit Committee as on 31.3.2017 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Shri Jagdish Rathi (DIN 01211509)	Non executive Independent Director	Chairman	4	4
Shri Rakesh Sethiya (DIN 00631953)	Non executive Independent Director	Member	4	3
Shri Bhagwati Prasad Sharma (DIN 01174001)	Non executive Independent Director	Member	4	4

During the year the committee met on four occasions during the year on following dates namely:

30/05/2016	12/08/2016	14/11/2016	13/02/2017
------------	------------	------------	------------

As mandated by Regulation 18 of the Listing Regulation.

A. The representative of statutory of the company are also invited in the audit committee meetings.

B. The gap between two audit committee meetings was not more than four months.

### Terms of reference of the Audit Committee

The terms of reference of Audit Committee are as under:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fee and approval of payment of any other services:
- Reviewing with management, the annual financial statement before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the Directors responsibility statement to be included in the board's report as per Section 134(3)(C) of the Companies Act, 2013.
  - b. Changes in the Accounting policies and practices and the reasons for the same, major accounting entries and significant adjustments made in the financial statements arising out of audit findings.
  - c. Compliance with listing and other legal requirements relating to financial statements.
  - d. Disclosure of any related party transactions.
  - e. Qualifications in the draft audit report if any.
- Discussing with external auditors before the audit commences on the nature and scope of audit, as well as having post-audit discussion to ascertain any area of concern,

- Reviewing the management discussion and analysis of the financial conditions and results of operations.
- Reviewing with the management and the statutory auditors anticipated changes in the Accounting Standards.
- Reviewing the Company's financial and risk management policies;
- Undertake such other functions as may be entrusted to it by the Board from time to time.

## (II) Stakeholders' Relationship Committee

The Company had a Stakeholders Relationship Committee of director to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend / notices / annual reports, etc. The nomenclature of the said committee was changed to stakeholders' relationship committee in the light of provisions of the Act and Regulation 20 of the Listing Regulation.

### A. Meeting and Composition

The Composition of Committee as on 31.3.2017 and attendance record of the members at the meetings held during the year was as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Shri Jagdish Rathi (DIN 01211509)	Non executive Independent Director	Chairman	4	4
Shri Rakesh Sethiya (DIN 00631953)	Non executive Independent Director	Member	4	3
Shri Bhagwati Prasad Sharma (DIN 01174001)	Non executive Independent Director	Member	4	4

During the year the committee met on four occasions during the year on following dates namely:

30/05/2016	12/08/2016	14/11/2016	13/02/2017
------------	------------	------------	------------

A. During the year under review no complaints was received from shareholders, there was no complaint pending unresolved as at the end of the year.

B. Share transfer in physical form are registered by the Company and returned to respective Transferee/person within a period ranging from one to two weeks provided the documents lodged with Company are clear in all respects.

C. Name, designation and address of Compliance Officer:-

Mr. Sudhir Samdani, Managing Director & Compliance Officer (Din No.00890642)

35-A, Kumbha Nagar

Chittorgarh, Rajasthan

Email: [jcrchittor@yahoo.co.in](mailto:jcrchittor@yahoo.co.in)

Tele: 033-22157781, Fax No. 033-22155378

### Terms of Reference:

- Oversee and review all matters connected with the transfer of the Company's securities.
- Monitor redressal of investors' / shareholders' / security holders' grievances.

- Oversee the performance of the Company's Registrar and Transfer Agents.
- Recommend methods to upgrade the standard of services to investors.
- Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

### (III) Nomination and Remuneration Committee

The company had a Nomination and Remuneration Committee of the board. The nomenclature of the said committee was changed to Nomination and Remuneration Committee in the light of provisions of the Act and Regulation 19 of the Listing Regulation. The constitution and terms of reference of Nomination and Remuneration Committee of the Company are in compliance with provisions of the Companies Act, 2013 and Regulation 19 of the Listing Regulation. All the members of the committee are Non Executive independent directors.

#### A. Terms of reference in brief

- Formulate Remuneration Policy and a policy on Board diversity
- Formulate criteria for evaluation of Directors and the Board.
- To ensure that the Remuneration Policy shall also include the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
- To ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully; relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

#### B. Meeting and Composition

The composition of Nomination and Remuneration Committee and attendance record of the members at the meeting held during the year are as under:

Name of the Member	Category	Status	No. of meetings attended	
			Held during tenure	Attended
Shri Jagdish Rathi (DIN 01211509)	Non executive Independent Director	Chairman	1	1
Shri Rakesh Sethiya (DIN 00631953)	Non executive Independent Director	Member	1	1
Shri Bhagwati Prasad Sharma (DIN 01174001)	Non executive Independent Director	Member	1	1

**Remuneration policy Executive Directors**

The remuneration of executive directors is reviewed by the nomination and remuneration committee and thereafter recommended to the Board of the directors of the Company for subject to approval of the members at general meeting and such other authorities as may be required. While recommending remuneration, the committee considers various factors such as practices prevalent in the industry for the time being, qualification, expertise of the appointee and financial position of the company.

**C. Remuneration of directors**

- During the year no remuneration was paid to any director of the Company.
- No sitting Fees was paid to any Director of the Company during the financial year.
- The company does not have any service contract with any of its directors.
- The company has not granted any stock option to any of its director/employees.
- During the year the committee met on one occasions during the year.

**MANAGEMENT****A. The Management discussion and analysis report**

The Annual Report has a detailed chapter on Management Discussion and Analysis.

**B. Disclosure by Management to the Board**

All details relating to the financial and commercial transactions where directors may have a potential interest are provided to the Board, and the interested Directors neither participate in the discussion, nor do they vote on such matters.

**Compliance with Mandatory / Non Mandatory requirements.**

- The Company has complied with all the applicable mandatory requirement of Regulation 27 of the listing regulation.
- The Company has also adopted the non mandatory requirement as specified in Schedule V 10 (C) to regulation 27 of the listing regulation regarding constitution of remuneration committee, the details of which already been provided in this report and audit qualification. There is no audit qualification in the financial statement.

**DISCLOSURES**

- a) There were no material transactions of the Company with its promoters, directors, and management on their relatives that may have conflict with the interest of the Company at large.
- b) The particulars of transactions between the Company and its related parties in accordance with the accounting standard 18 are set out in Annual report. These transactions are in the ordinary course of business and are not likely to have any conflict with the interest of the Company. These have been approved by the audit committee. The board has approved a policy for related party transaction which has been uploaded on the Company's website.
- c) The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, and in conformity, in all respects, with the generally accepted accounting principles and standards in India. The estimates/judgments made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the Company

- d) The Company has well defined management policies to manage the risk inherent in the various aspects of business. The Board is regularly informed about the business risks and the steps taken to mitigate the same.
- e) There has been no non-compliance by the company or penalty or strictures imposed on the company by the stock exchange or SEBI or any statutory authority, on any matter related to capital markets during last three years.
- f) During the year under review Company has not issued any type of securities. No GDR/ADR issued by the Company.
- g) The Company has adopted a whistle blower policy and has established the necessary vigil mechanism for employees and directors to report concerns about unethical behaviors. No person has been denied access to the chairman of the audit committee. The said policy has been also put up on the website
- h) As per Regulation 39(4) of the listing regulation there is no unclaimed shares in the company.

## SHAREHOLDER'S INFORMATION

### Means of Communication

Presently, the quarterly/half yearly financial results are not sent individually to the shareholders. However as required under the listing Regulation, the same are published in the news paper.

The Company's website <http://www.systematixsecurities.com> contains information on the Company and its performance. Presentations to analysts, as and when made, are immediately put on the website for the benefit of the shareholders and the public at large. The secretarial department's e-mail address is [systematixctor@gmail.com](mailto:systematixctor@gmail.com)

### General body meetings

The last three Annual General Meetings of the Company were held as detailed below:

Meeting	Date	Time	Venue
30 <sup>th</sup> Annual General Meeting 2015-2016	26 <sup>th</sup> September 2016	10.00 A.M.	At Regd. office at 237, Kamalaya centre, 156-A Lenin Sarani Road, Kolkata
29 <sup>th</sup> Annual General Meeting 2014-2015	29 <sup>th</sup> September 2015	10.00 A.M.	At Regd. office at 237, Kamalaya centre, 156-A Lenin Sarani Road, Kolkata
28 <sup>th</sup> Annual General Meeting 2013-2014	27 <sup>th</sup> September 2014	10.15 A.M.	At Regd. office at 237, Kamalaya centre, 156-A Lenin Sarani Road, Kolkata

### POSTAL BALLOT & SPECIAL RESOLUTION:

No resolutions were passed by postal ballot in last three years. None of the Businesses proposed to be transacted in the ensuing Annual General Meeting require passing of a resolution through Postal Ballot.

No Extra Ordinary General meeting was held during the financial year.

### General shareholder information

#### A. Address of Registered office of the Company:

237, Kamalaya center, 156-A Lenin Sarani Road, Kolkata

#### B. Forthcoming Annual General Meeting:

Date & time of meeting: Monday, 25<sup>th</sup> September, 2017 at 10.30 A.M.

Venue of the meeting: 237, Kamalaya centre, 156-A Lenin Sarani, Kolkata

Last date for receipt of proxy forms: 23<sup>rd</sup> September, 2017

Financial Calendar:	1 <sup>st</sup> April to 31 <sup>st</sup> March
Annual General Meeting	25 <sup>th</sup> September, 2017
Results for the quarter ended	
1 <sup>st</sup> Quarter ending 30 <sup>th</sup> June, 2017 (First quarter)	Before 14 <sup>th</sup> Aug. 2017
2 <sup>nd</sup> Quarter ending 30 <sup>th</sup> Sept, 2017 (Second quarter)	Before 14 <sup>th</sup> Nov. 2017
3 <sup>rd</sup> Quarter ending 31 <sup>st</sup> Dec, 2017 (Third quarter)	Before 14 <sup>th</sup> Feb. 2018
4 <sup>th</sup> Quarter ending 31 <sup>st</sup> March, 2018 (Fourth quarter and Annual)	Before 30 <sup>th</sup> May 2018

**C. Book Closure:**

The book closure period is from Tuesday 19<sup>th</sup> September, 2017 to Monday 25<sup>th</sup> September, 2017 (both days inclusive).

**D. Dividend Payment:**

No Dividend was recommended by the board of the Directors for financial year 31<sup>st</sup> March, 2017.

**Listing on Stock Exchange & ISIN No.**

The Company's equity shares are listed on following exchange:

Bombay Stock Exchange Ltd, Mumbai

Kolkata Stock Exchange Limited

The Company has paid listing fees for the financial year 2017-18.

ISIN Number: Not Available (All Shares are in physical form)

Bombay Stock Exchange, Mumbai Script Code: 531432

**E. Registrar and Transfer Agents**

Ankit Consultancy Pvt. Ltd.

60, Electronics complex, Pardeshipura

Indore 452010. (M.P.)

Ph.0731-2551745-46 Fax: 0731-4065798

**F. Share Transfer System**

All the transfer received is processed by the Registrar and Transfer Agent.

**G. Outstanding GDRs/ADRs/Warrants or any convertible instruments, Conversion date and likely impact on equity:- Not issued**

**4. Administrative Office of the Company** (For general assistance)

22, Gumasta Nagar, Indore (M.P.)

**H. Market Price data**

**April, 2016 to March, 2017 at BSE**

Month	Apr.	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March
High	3.59	-	-	-	-	-	-	-	-	-	-	-
Low	3.26	-	-	-	-	-	-	-	-	-	-	-

Market Price Data as per last transaction held on April 2013

#### I. SHAREHOLDING PATTERN AS AT 31<sup>ST</sup> MARCH 2017[SHAREHOLDING PATTERN]

Category	No. Of Share held	Percentage of Shareholding
<b>A Promoters Holding</b>		
1. Promoters Indian Promoters: Foreign Promoters:	2000000	40%
2. Persons acting in concert		
<b>Sub Total</b>	<b>2000000</b>	<b>40%</b>
<b>B. Non-Promoters Holding</b>	-	-
1. Institutional Investors	-	-
2. Mutual Funds and UTI	-	-
3. Banks, Financial Institutions, Insurance Companies [Central/State Govt. Institutions, Non- Government Institutions]	-	-
4. FII's	-	-
5. <b>Sub-Total</b>	-	-
6. Others	-	-
Private Corporate Bodies	19900	0.40%
7. Individuals	-	-
Holding up to Rs. 2.00 lacs	1025800	20.52%
Holding excess Rs. 2.00 lacs	1952900	39.06%
8. NRIs/OCBs	1400	0.03%
9. Any other [Clearing member]	-	-
Sub-Total	3000000	60.00%
<b>Grand Total</b>	<b>5000000</b>	<b>100.00%</b>

**Distribution of Shareholding by size as on 31<sup>st</sup> March 2017:**

Share or Debenture holding of nominal value of Rs.	Shares/Debenture holders		Shares/Debentures Amount	
	Number	% of total number	In Rs.	% of Total Amount
UPTO – 1000	321	23.55	321000	0.64
1001 – 2000	249	18.27	498000	1.00
2001 – 3000	305	22.38	915000	1.83
3001 – 4000	157	11.52	628000	1.26
4001 – 5000	50	3.67	250000	0.50
5001 – 10000	85	6.24	729000	1.46
10001 – 20000	54	3.96	906000	1.81
20001 – 30000	23	1.69	597000	1.19
30001 – 40000	9	0.66	313000	0.63
40001 – 50000	23	1.69	1131000	2.26
50001 – 100000	19	1.39	1479000	2.96
100000-Above	68	4.99	4223000	84.47
	1363	100.00	50000000	100.00

**Secretarial Audit for Reconciliation of Capital.**

All the Equity shares of the Company is in physical form as company has not entered into any agreement with CDSL/NSDL for dematerlisation of its equity shares.

**CODE OF CONDUCT**

The Company has laid down a code of conduct for all Board members and senior management of the Company. All the Board members and management personnel have affirmed compliance with the Code of Conduct.

**CODE FOR PREVENTION OF INSIDER TRADING PRACTICES.**

In Compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1997, as amended till date on prohibition of insider trading, the Company has a comprehensive code of conduct and the same is being strictly adhered to by its management, staff and relevant business associates. The code expressly lays down the guidelines and the procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on the consequences on non-compliance thereof.

**CEO Certification.**

The **CEO** certification of the financial statements and the cash flow statement for the year is obtained and was placed before the Board.

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE.**

The Company has obtained the certificate from the Auditors of the Company regarding compliance with the provisions relating to corporate governance laid down in Listing Regulation with the stock exchanges. This report is annexed to the Director's Report for the year 2016-2017. This certificate will be sent to the stock exchanges, along with the annual report to be filed by the Company.

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT.**

This is to confirm that the Company has adopted a code of conduct for the Board of Directors and Senior Management of the Company.

As Managing Director of the Systematix Securities Limited and as required by Regulation 26(3) of the Listing Regulation of the Stock Exchange in India, I hereby declare that all the Board Members and senior Management personnel of the Company have affirmed compliance with the code of Conduct for financial year 2016-2017.

Place: Indore

Date: 30.05.2017

Sudhir Samdani

Managing Director

**DIN No.00890642**

**CEO CERTIFICATION**

I hereby certify to the Board of Directors of **Systematix Securities Limited** that:

- A. I have reviewed financial statements and the cash flow statement for the year ended on 31/03/2017 and that to the best of my knowledge and belief.
- B. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
- C. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- D. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- E. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- F. I have indicated to the auditors:
  - significant changes in internal control over financial reporting during the year;
  - significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Place: Indore**

Date: 30.05.2017

FOR SYSTEMATIX SECURITIES LTD.

**Sudhir Samdani**

**Managing Director**

**DIN: 00890642**

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

We have examined to the compliance of conditions of Corporate Governance by **SYSTEMATIX SECURITIES LTD.**, for the year ended 31<sup>st</sup> March, 2017, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D, and E of Schedule V of the Securities and Exchange Board of India ( Listing Obligation & Disclosure Requirements) Regulations 2015 ( Collectively referred to as "SEBI Listing Regulations, 2015") .

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations 2015.

We state that in respect of investor grievances received during the year ended 31<sup>st</sup> March, 2017, the Registrars of the Company have certified that as at 31<sup>st</sup> March, 2017, there were no investor grievances remaining unattended/pending for more than 30 days.

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

For: **Sethiya Khandelwal & Co**

Chartered Accountants

(Reg.No. 004058C)

Place: Indore

Date: 30.05.2017

**Rajesh Khandelwal**

Partner

**M.N. 076272**

**Management Discussions and analysis forming part of Directors' Report**

The Management of Systematix Securities Limited is pleased to present the following Management Discussion and Analysis Report which contains a brief write-up on the industry structure, opportunities and concerns, performance of the company with respect to the operations other information. This chapter on Management Discussion and Analysis forms a part of the compliance report on Corporate Governance.

**Indian Economy And Industry Overview**

Recovering from the global meltdown effect of last two years, India is now poised and set to be the second fastest growing economy in the Asia Pacific Region. The productivity growth rate of Indian economy is estimated to be around 8% and it is expected to sustain until 2020. Infrastructure integrated with real estate development has been the backbone of such sustained growth and continue to be the focal point for our economy. High per Capita income resulting in high per capita spending is directly related to the demand of our products and we foresee a bright future ahead.

**Economic Overview (2016-17)**

In financial year 2016-2017, not only has India established itself as the world's fastest growing major economy, but it has also emerged as one of the few economies enacting major structural reforms that have strong longer term implication

The year was marked by two major domestic policy developments: passage of the Constitutional amendment which paved way for implementing the transformational Goods and Service Tax (GST), and the action to demonetize the Rs. 500 and Rs. 1000 bank notes in the country, The GST will create a create a single national market and enhance the efficiency of inter-state movement of goods and services apart from moving a large part of the informal sector within the formal set-up of the economy.

The Indian Government's decisive policy measures towards ensuring fiscal consolidation and pegging back inflation will help maintain economic stability in the years ahead.

**OPPORTUNITIES & THREATS**

As a financial services intermediary, the company's growth and profitability are, to a large part, dependent on the stable growth and functioning of the Capital markets. The growth of financial services sector will allow the Company to grow businesses in each of the verticals. However, stubborn inflation, high fiscal and slow pace of reforms has led to the sliding of Indian GDP growth to around 6.1%. Renewed political uncertainty at the centre currently is continuing to cast its shadow on the return of growth. Given this none too-rosy scenario for FY17, the goal for this year for the Company will be to improve operating efficiency.

**RISKS AND CONCERNS**

The Company faces normal business challenges of market competition in its business and needs to continuously seek attractive growth opportunities. The Company adopts suitable business strategies to counter these challenges. As a part of the overall risk management strategy, the Company consistently insures its assets and generally follows a conservative financial profile by following prudent business practices.

**INTERNAL CONTROL SYSTEM**

The Companies Internal control/supervisory system is established to ensure that board and management are able to achieve their business objectives in a prudent manner, safeguarding the interest of Companies shareholders and other stakeholders whilst minimizing the key risk such as fraud, misleading financial statements, breach of legal and contractual obligation, unauthorized business activity.

**HUMAN RESOURCE**

Your Company follows a strategy of attracting and retaining the best talent and keep employees engaged, motivated and innovative. The Company continues to have cordial relations with its employees and provide personnel development opportunities for all round exposure to them.

**FINANCIAL & OPERATIONAL PERFORMANCE**

Financial and Operational performance forms part of the Annual Report and is presented elsewhere in the report.

**CAUTIONARY STATEMENT**

Some of the Statements in Management discussion and Analysis describing Companies objective may be “forward looking statement” within the meaning of applicable Securities law and Regulations. Actual results may differ substantially or materially from those expressed or implied. Important factors that could influence companies operation include various global and domestic economic factors.

**INDEPENDENT AUDITORS' REPORT**

To

The Members of

M/s Systematix Securities Limited

**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of **Systematix Securities Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2017 the Statement of Profit and Loss, the Cash Flow Statement and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards and pronouncements require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view, in order

to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit), its 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, 2016, issued by the Central Government of India in terms of sub-section of section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement dealt with by this Report are in agreement with the books of account
  - d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. on the basis of the written representations received from the directors as on 31 March 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act; and
  - f. with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
  - g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
  - i. The Company has disclosed the impact of pending litigations as at March 31, 2017 on its financial position in its financial statements.

- ii. The Company has made provision, as at March 31 2017 as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017.
- iv. The Company has provided requisite disclosures in the standalone financial statements as to holding as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30, December, 2016, on the basis of information available with the Company. Based on audit procedures, and relying on management's representation, we report that disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

**For Sethiya Khandelwal & Co**  
**Chartered Accountants**  
**Registration No: 004058C**

**Place: Indore**  
**Date: 30/05/2017**

**Rajesh Khandelwal**  
**(Proprietor)**  
**M. No.: 076272**

**ANNEXURE A TO THE AUDITORS' REPORT**

Referred to in paragraph 1 of the Independent Auditors' Report of even date to the members of **Systematix Securities Limited** on the standalone financial statements as of and for the year ended March 31, 2017

- (1)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed asset.
  - (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (2) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year. In respect of inventory lying with third parties, these have substantially been confirmed by them. No material discrepancies were noticed on physical verification of inventory as compared to book records.
- (3) The Company has not granted unsecured loans to Companies, firms or parties covered in the register maintained under section 189 of the Act.
- (4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made, if any.
- (5) The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- (6) Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act in respect of its products.
- (7) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company.
- (8) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted in the books of account in respect of undisputed statutory dues like income tax, tax deduct at source and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2017 for a period of more than six months from the date they became payable.

- (9) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (10) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (11) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (12) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration during the year however requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act has been taken by the company.
- (13) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (14) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (16) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (17) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

**For Sethiya Khandelwal & Co  
Chartered Accountants**

**Registration No: 004058C**

**Rajesh Khandelwal  
(Proprietor)**

**M. No.: 076272**

**Place: Indore**

**Date: 30/05/2017**

**Annexure B to the Auditors' Report**

Referred to in paragraph 2(f) of the Independent Auditors' Report of even date to the members of **Systematix Securities Limited** on the standalone financial statements for the year ended March 31, 2017. Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Systematix Securities Limited** ('the Company') as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company.
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipt and expenditure of the Company are being made only in accordance with authorizations of the Management and directors of the Company.
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

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

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

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Sethiya Khandelwal & Co**  
**Chartered Accountants**  
**Registration No: 004058C**

**Place: Indore**  
**Date: 30/05/2017**

**Rajesh Khandelwal**  
**(Proprietor)**  
**M. No.: 076272**

## AUDITED BALANCE SHEET AS ON 31. 03.2017

(Amount in Rs.)

Particulars	Note No.	As on 31.03.17	As on 31.03.16
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	01	50000000	50000000
(b) Reserves and surplus	02	29382223	28413187
(c) Money received against share warrants			
<b>2 Share application money pending allotment</b>	-	-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	-	-	-
(b) Deferred tax liabilities (net)	-	-	-
(c) Other long-term liabilities	-	-	-
(d) Long-term provisions	-	-	-
<b>4 Current liabilities</b>			
(a) Short-term borrowings	-	-	-
(b) Trade payables	-	-	-
(c) Other current liabilities	03	1542048	244562
(d) Short-term provisions	04	386459	580268
		<b>81310730</b>	<b>79238017</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	05	62649	74517
(ii) Intangible assets	-	-	-
(iii) Capital work-in-progress	-	-	-
(iv) Intangible assets under development	-	-	-
(v) Fixed assets held for sale	-	-	-
(b) Non-current investments	06	18993544	18635207
(c) Deferred tax assets (net)	-	-	-
(d) Long-term loans and advances	-	-	-
(e) Other Non Current Assets	-	-	-
<b>2 Current assets</b>			
(a) Current investments	-	-	-
(b) Inventories	-	-	-
(c) Trade receivables	07	-	-
(d) Cash and cash equivalents	08	543116	422373
(e) Short-term loans and advances	09	59790113	57961741
(f) Other current assets	10	1921308	2144179
		<b>81310730</b>	<b>79238017</b>

Notes on Account &amp; Significant Accounting Policies 15

For &amp; On behalf of the Board

Sudhir Samdani  
(M. Director)Jagdish Rathi  
(Director)

For Sethiya Khandelwal &amp; Co.

Chartered Accountants  
(Registration No. 004058C)Madhu Bala Sharma  
(Company Secretary)  
Place : IndoreRajesh Khandelwal  
Partner  
M. No. 076272

Date : 30.05.2017

## STATEMENT OF PROFIT &amp; LOSS FOR THE YEAR ENDED 31.03.2017

(Amount in Rs.)

Particulars	Note No.	As on 31.03.17	As on 31.03.16
<b>I INCOMES</b>			
Incomes from Operations	11	3866389	4409700
Long Term Capital Gain		380492	-
Short Term Capital Gain		39543	-
Dividend Income		80980	123167
		<u>4367404</u>	<u>4532867</u>
<b>II EXPENSES</b>			
Loss on Derivatives		-	14184
Employee Benefits Expenses	12	1832000	1832000
Finance Costs	13	2136	1892
Depreciation and Amortisation charges		11868	11868
Other Expenses	14		
- Operational		968801	857735
- Administrative		374509	367458
		<u>3189314</u>	<u>3085137</u>
<b>III Profit before tax from Continuing Operations</b>		1178090	1447730
<b>IV Provision for Taxation - Income Tax</b>		209054	407268
<b>V Profit after tax from Continuing Operations</b>		<u>969036</u>	<u>1040462</u>
Less : Items relating to P.Y.- Excess Provision written back		-	(97028)
		<u>969036</u>	<u>1137490</u>
<b>VI E.P.S. (Basic &amp; Diluted) of face value of Rs. 10/- each</b>			
Basic (in Rs.)		0.19	0.23
Diluted (in Rs.)		0.19	0.23

Notes on Account &amp; Significant Accounting Policies 15

For & On behalf of the Board  
Sudhir Samdani  
(M. Director)

Jagdish Rathi  
(Director)

For Sethiya Khandelwal & Co.  
Chartered Accountants  
(Registration No. 004058C)

Madhu Bala Sharma  
(Company Secretary)  
Place : Indore  
Date : 30.05.2017

Rajesh Khandelwal  
Partner  
M. No. 076272

**NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AND  
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2017**

(Amount in Rs.)

Note No.	Particulars	As on 31.03.17	As on 31.03.16
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**01 SHARE CAPITAL  
AUTHORISED**

<b>7000000 Equity Shares of Rs. 10/- each</b>	<b>70000000</b>	<b>70000000</b>
<b>ISSUED SUBSCRIBED &amp; PAID UP</b>		

<b>5000000 Equity Shares of Rs. 10/- each fully paid</b>	<b>50000000</b>	<b>50000000</b>
--	-----------------	-----------------

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particular	Op. Balance	Issue Shares	Clo. Balance
Equity Shares with voting rights			
Year ended 31st March 2017			
Number of Shares	5000000	-	5000000
Amount (Rs.)	50000000	-	50000000
Year ended 31st March 2016			
Number of Shares	5000000	-	5000000
Amount (Rs.)	50000000	-	50000000

b) The company has only one class of shares having a par value of Rs.10/- per share. Each holder of equity share is entitled to one vote per share.

c) The details of shareholders more than 5% shares

	As at 31.03.17		As at 31.03.16	
	Nos of shares	% held	Nos of shares	% held
Systematix Corporate Services Ltd.	569000	11.38	569000	11.38
Madhu Khandelwal	377500	7.55	377500	7.55
Neelam Sethiya	377500	7.55	377500	7.55
Cactus Software Ltd.	300000	6.00	300000	6.00

**02 RESERVES & SURPLUS**

Share Premium Reserves	20472498	20472498
<u>Profit &amp; Loss Account</u>		
Opening Balance	7940689	6803199
Add : Profit for the year	969036	1137490
Add : Deprecation reversal	-	-
	8909725	7940689
	29382223	28413187

(Amount in Rs.)

Note No.	Particulars	As on 31.03.17	As on 31.03.16
<b>03</b>	<b>OTHER CURRENT LIABILITIES</b>		
	Creditors for Expenses	520457	244562
	Other Creditors	1021590	-
		<u>1542048</u>	<u>244562</u>
<b>04</b>	<b>SHORT TERM PROVISIONS</b>		
	Audit Fees Payable	20000	20000
	Bonus Payable	152000	152000
	Income Tax	209054	407268
	T.D.S Payable	5405	1000
		<u>386459</u>	<u>580268</u>
<b>05</b>	<b>FIXED ASSETS</b>		
	TANGIBLE ASSETS		

Particulars	Gross Block			Depreciation				Net Block	
	Opening Balance	Additions (Deduct.)	Total	Opening Balance	For the year	Reversal of dep	Total	W.D.V. 31.03.17	W.D.V. 31.03.16
Computer	192725	-	192725	169380	11868	-	181248	11477	23345
Vehicle	1023443	-	1023443	972271	-	-	972271	51172	51172
Total	1216168	-	1216168	1141651	11868	-	1153519	62649	74517
Previous Year	1216168	0	1216168	1129783	11868	0	1141651	74517	86385

**06 NON CURRENT INVESTMENTS (AT COST)****Quoted -**

Inani Marbles &amp; Industries Ltd.

47732 Equity Shares of Rs. 10/- each fully paid

1509039

1509039

Bilpower Ltd.

798 Equity Shares of of Rs. 10/- each fully paid

18402

18402

State Bank of India ( State Bank of Bikaner &amp; Jaipur)

4900 Equity Shares of Rs. 10/- each fully paid

453383

91000

(Due to merger in State Bank of India)

ECL Finance (Debenture)

1054000

1054000

1054 11.60 % Secured Redeemable Non-Convertible Debenture @1000 each

Liquid Benchmark Liquid BEES

30000

30000

30 Liquid Bees Rs 1000/- each fully paid

Agrawal Industrial Corporation Ltd.

1305340

1305340

9894 Equity Shares of Rs. 10/- each fully paid

		(Amount in Rs.)	
Note No.	Particulars	As on 31.03.17	As on 31.03.16
	Aksh Optifibre Ltd 500 Equity Shares of Rs. 10/- each fully paid	8461	8461
	Andhra Bank Ltd 2506 Equity Shares of Rs. 10/- each fully paid	218401	218401
	Presha Metal 5 Equity Shares of Rs. 10/- each fully paid	401	401
	Shares of Edelwiss Capital Ltd 10 Equity Shares of Rs. 10/- each fully paid	294	294
	Archies Limited 500 Equity Shares of Rs. 2/- each fully paid	15125	15125
	Bhageria Industries Ltd. (0) 350 Equity Shares of Rs. 10/- each fully paid	0	50267
	Integra Engineering India Ltd. 500 Equity Shares of Rs. 10/- each fully paid	18050	18050
	Nectar Lifesciences Ltd. 100 Equity Shares of Re. 1/- each fully paid	4136	4136
	Om Metal Infraprojects Ltd. 200 Equity Shares of Re. 1/- each fully paid	10846	10846
	Orchid Pharma Ltd. 159 Equity Shares of Rs. 10/- each fully paid	10174	10174
	Sri kpr Industries Ltd. 200 Equity Shares of Rs. 10/- each fully paid	5940	5940
	Indian Acrylics Ltd. 1000 Equity Shares of Rs. 10/- each fully paid	8220	8220
	Time Technoplast Ltd. 100 Equity Shares of Re. 1/- each fully paid	6068	6068
	Ujaas Energy Ltd. 500 Equity Shares of Re. 1/- each fully paid	8250	8250
	Value Industries Ltd. 10 Equity Shares of Rs. 10/- each fully paid	149	149

		(Amount in Rs.)	
Note No.	Particulars	As on 31.03.17	As on 31.03.16
	Zee Media Corporation Ltd. 200 Equity Shares of Re. 1/- each fully paid	4964	4964
	Goliament 300 Equity Shares of Re. 10/- each fully paid	22586	-
	NHCFOODS 1000 Equity Shares of Re. 10/- each fully paid	23635	-
	Unitech Ltd. 1000 Equity Shares of Rs. 2/- each fully paid	7280	7280
<b>Unquoted -</b>			
	Inani Securities & Investments Ltd. 200000 Equity Shares of Rs. 10/- each fully paid	2000000	2000000
	Arawali Associates Pvt. Ltd. 2050 Equity Shares of Rs. 100/- each fully paid	1025000	1025000
	Inani Marbles Pvt. Ltd. 3850 Equity Shares of Rs. 100/- each fully paid	1925000	1925000
	Inani Marmo & Granite Pvt. Ltd. 25000 Equity Shares of Rs. 10/- each fully paid	1500000	1500000
	Inani Tiles Pvt. Ltd. 5380 Equity Shares of Rs. 100/- each fully paid	2690000	2690000
	Chirag Tiles Pvt. Ltd. 50000 Equity Shares of Rs. 10/- each fully paid	500000	500000
	Nathani Marble Pvt. Ltd. 15000 Equity Shares of Rs. 10/- each fully paid	150000	150000
	Action Marble & Granite Pvt. Ltd. 60000 Equity Shares of Rs. 10/- each fully paid	1725000	1725000
	Vijaydeep Silk Mill Pvt. Ltd. 1295400 Equity Shares of Rs. 10/- each fully paid	1295400	1295400
	Inani Infraprojects Pvt. Ltd. 4800 Equity Shares of Rs. 10/- each fully paid	1440000	1440000
		<b>18993544</b>	<b>18635207</b>
	Aggregate cost of quoted investments	4743144	4384807
	Aggregate market value of quoted investments	10585992	12670654
	Aggregate cost of unquoted investments	14250400	14250400

(Amount in Rs.)

Note No.	Particulars	As on 31.03.17	As on 31.03.16
<b>07</b>	<b>TRADE RECEIVABLES</b>		
	(Unsecured, Considered Good)		
	Debts outstanding for a period more than six months	-	-
	Others	-	-
		-	-
<b>08</b>	<b>CASH &amp; CASH EQUIVALENTS</b>		
	Cash in Hand	408485	225411
	Balances with Scheduled Bank	134631	196963
		543116	422373
<b>09</b>	<b>SHORT TERM LOANS &amp; ADVANCES</b>		
	(Unsecured , Considered good)		
	Loans/Advances recoverable in cash or in kind or for value to be received	59790113	57961741
		59790113	57961741
<b>10</b>	<b>OTHER CURRENT ASSETS</b>		
	Tax Deducted at Sources	1875569	2098440
	Fringe Benefit Rundable	18767	18767
	Advance Income Tax	17620	17620
	Deposit with Income Tax Deptt.	9352	9352
		1921308	2144179
<b>11</b>	<b>INCOME FROM OPERATION</b>		
	Interest Income	3866389	4409700
		3866389	4409700
<b>12</b>	<b>EMPLOYEE BENEFITS EXPESNES</b>		
	Salaries	1680000	1680000
	Bonus	152000	152000
		1832000	1832000
<b>13</b>	<b>FINANCE COST</b>		
	Bank Charges	2136	1892
	Interest on Income Tax/TDS	-	-
		2136	1892
<b>14</b>	<b>OTHER EXPENSES</b>		
	OPERATIONAL		
	Auditors Remuneration	20000	20000
	Stationery & Printing	14050	13079
	Conveyance & Travelling	245560	220492
	Telephone & Trunkcall	30265	25041
	Advertisement	68486	34122
	Office Expenses	52214	21340
	Insurance Charges	9314	6001
	Newspaper	6912	8050
	Vehicle Running & Maintenance	214390	212550
	Vehicle Running & Maintenance - Motor Byke	24560	22340

**SYSTEMATIX SECURITIES LIMITED****31st Annual Report**

Secretarial Charges	54050	50000
Listing Fees	200000	200000
Service tax	29000	24720
	968801	857735
<b>ADMINISTRATION</b>		
Postage & Telegram	71050	69080
Rent	206640	196800
Books & Periodicals	1546	1150
Legal & Professional Charges	95273	100428
	374509	367458

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31st MARCH 2017**

	2016-17	2015-16
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary items	1178090	1447730
Adjustments for : -		
Depreciation	11868	11868
Foreign Exchange/Dep. Investments	-	-
Investments Extraordinary items	-	-
( Net Investments Loss )	-	-
Excess Income Tax provision written back	-	97028
Lease Equilisation	-	-
Interest/Dividend Received	(3947369)	(4532867)
Loss (Profit) on Sale of Shares	-	-
<b>Operating profit before working capital changes</b>	<b>(2757411)</b>	<b>(2976241)</b>
Adjustments for : -		
Trade and other receivables	(1605501)	(3079893)
Inventories		
Trade Payable Net of Lease Terminal Adj. A/c	1103676	(75618)
Cash Generated from operation	(3259236)	(6131752)
Interest Paid	0	0
Direct Taxed paid	(209054)	(407268)
<b>Cash Flow Before extraordinary items</b>	<b>(3468290)</b>	<b>(6539020)</b>
Extraordinary items		
	(3468290)	(6539020)
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	-	-
Sale of Fixed Assets	-	-
Acquisitions of Companies	-	-
Purchase of Investments	(408604)	(169804)
and increase in share application money		
Sale of Investments		
and decrease in share application money	50267	74227
Interest received	3866389	4409700
Dividend Received	80980	123167
Preliminary Exp. Incurred		
Net Cash from/ ( Used ) in investing activities	3589032	4437290
<b>(C) CASH FLOW FROM FINANCIANG ACTIVITIES</b>		
Proceeds from issue of share capital	-	-
Proceeds from issue of share application money	-	-
Proceeds from long and short term borrowings	-	-
Repayment of finance lease liabilities	-	-
Interest Paid	-	-
Dividend paid	-	-
Net Cash used in financiing activities	-	-
<b>Net increase in Cash and Cash equivalents</b>	<b>120742</b>	<b>(2101730)</b>
<b>Cash and Cash equivalents as (Opening Balance)</b>	<b>422373</b>	<b>2524103</b>
<b>Cash and Cash equivalents as (Closing Balance)</b>	<b>543116</b>	<b>422373</b>

For &amp; On behalf of the Board

Sudhir Samdani  
(M. Director)Jagdish Rathi  
(Director)For Sethiya Khandelwal & Co.  
Chartered Accountants  
(Registration No. 004058C)Madhu Bala Sharma  
(Company Secretary)Rajesh Khandelwal  
Partner

Place : Indore

M. No. 076272

Date : 30.05.2017

**Note No. 15****Significant Accounting Policies:****A Basis of Preparation of Financial Statement:**

These Financial statements have been prepared in accordance with the generally accepted accounting principles in India including the Accounting Standards notified under the relevant provisions of Companies Act' 2013

The financial statements are prepared on accrual basis under historical cost convention, except for certain financial instruments which are measured at fair value.

**B Use of estimates**

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the year. Example of such estimates include provision for doubtful receivables, employee benefits, provision for income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision for impairment.

**C Own Fixed Assets**

Fixed Assets are stated at cost and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets, if any are capitalized.

**D Intangible Assets**

The company does not have any Intangible Asset.

**E Depreciation and Amortization**

Depreciation is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act' 2013.

**F Impairment of Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**G Foreign Currency Transactions**

There is no foreign currency transactions made during the year.

**H Investments**

Investments are stated at cost.

**I Inventories**

Company is engaged in service providing activity hence there is no stock.

**J Revenue Recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.

**K Employee Benefits**

- No Provision has been made in respect of liabilities for future payment of gratuities as on 31st March 2017 as the company follows the system of accounting such expenses as and when it arises.

**L Borrowing Costs**

Company did not borrow any loan and hence not paying any interest in previous year.

**M Financial Derivatives and Commodity Hedging Transactions**

There is no financial derivatives and commodity hedging transaction made during the year.

**N Earning Per Shares:**

	Current Year (Rs.)	Previous Year (Rs.)
Profit after tax as per Profit and Loss A/c	969036	1137490
Nos. of Equity Shares	5000000	5000000
Earning Per Shares (In Rs)	0.19	0.23

**O Segment Reporting**

As per Accounting Standard (AS) 17 on "Segment Reporting", the Company is engage in one segment.

**P There is no transaction with related party.****Notes on Accounts:**

1. Contingent Liabilities: NIL

2. Auditors Remuneration:

	Current Year	Previous Year
Audit Fees	Rs. 20000/-	Rs. 20000/-

3. Tax expenses for the current year comprises of current tax and deferred tax. 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 differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. There are no timing differences and therefore no deferred tax assets or liabilities are recognized.

4. Previous year figures have been regrouped / rearranged wherever necessary to

confirm to current year's presentation.

5. Figures have been rounded off nearest to the Rupees.
6. There are no Micro, small and Medium enterprises , as defined in the Micro , small and Medium Enterprises Development Act, 2006 to whom the Company owes dues on account of principal amount together with interest and accordingly no additional disclosures have been made

The above information regarding micro, small and medium enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

7. The Ministry of Corporate affairs (MCA) in its notification dated 31st March 2017 amended Schedule III to the Companies Act, requiring companies to provide the following disclosure in the financial statements in respect of Specified Bank Notes (SBN) held and transacted during the period 8th November 2016 to 30th December 2016.

Note	Particular	SBN's	Other Denomination	Total
A.	Closing Cash in Hand As on 08/11/2016	-	2825/-	2825/-
B.	Permitted Receipts (From Bank)	-	222000/-	222000/-
C.	Permitted Payments	-	164110/-	164110/-
D.	Amount Deposited in Banks	-	-	-
E.	Closing Cash in Hand as on 30/12/2016	-	60715/-	60715/-

**FORM NO.MGT- 11**  
**PROXY FORM**

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3)  
of the Companies (Management and Administration) Rules, 2014]*

CIN : L65999WB1986PLC040357  
Name of company : SYSTEMATIX SECURITIES LTD  
Registered office : 237, Kamalaya centre,  
156-A Lenin Sarani Road, Kolkata

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

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

1. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ..... or failing him

2. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : ..... or failing him

3. Name : .....  
Address : .....  
E-mail Id : .....  
Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual general meeting of the company, to be held on the Monday 25<sup>th</sup> September, 2017 at Systematix Securities Ltd 237, Kamalaya centre, 156-A Lenin Sarani Road, Kolkata at 10.30 A.M. and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Resolution	
1.	Receive, Consider and adopt Audited Financial Statement, reports of the Board of Directors and Auditor as at 31 <sup>st</sup> March 2017.
2.	To appointment of Statutory Auditor
3.	To adoption of new set of Articles of Association of Company inter alia pursuant to the Companies Act 2013.
4.	To amendment(s) to Memorandum of Association of the Companies.

Please affix Revenue Stamp
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Signed this..... day of..... 2017

Signature of shareholder

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

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**ATTENDANCE SLIP**  
**ANNUAL GENERAL MEETING ON 25<sup>th</sup> DAY SEPTEMBER, 2017**

R.F. No./DPID \_\_\_\_\_

Mr./Mrs./Miss \_\_\_\_\_

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.

I/We hereby record my/our presence at the Annual General meeting of the company on Monday 25<sup>th</sup> September, 2017 at Systematix Securities Ltd 237, Kamalaya centre, 156-A Lenin Sarani Road, Kolkata at 10.30 A.M.

**(If signed by proxy, his name should be  
Written in block letters)**

(Shareholders/proxy's Signature)

**Note:**

1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.

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**BOOK POST  
PRINTED MATTER**

TO, \_\_\_\_\_

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If undelivered please return to:

**SYSTEMATIX SECURITIES LIMITED**

237, Kamlaya Centre, 156-A Lenin Sarani, Kolkata-W.B.

E-mail : [systematixcor@gmail.com](mailto:systematixcor@gmail.com)