

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditor's Responsibility

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

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



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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its Loss and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matter Note no 20 in the Notes to the financial statements:

"A massive fire broke out in the Registered office of the Company at J K Somani Building 2nd Floor British Hotel Lane Fort Mumbai-400001 on 30/11/2016 at 21.30 hours in which the fixed assets including IT Systems, books of account maintained in the IT systems, bills, Vouchers, Statutory records like Service Tax returns, e-TDS returns, PF returns, records of Stock Exchange related payments and correspondence with Exchanges and clients got destroyed. However, the books of accounts have been recovered from the mirror server maintained as a part of disaster recovery system(DRS); copies of bank statements have been obtained. Soft copies of the various statutory returns such as Service Tax returns, e-TDS returns, PF returns and returns to Stock exchanges have been downloaded from the respective websites. Confirmations of balances were sent to all clients subsequently. Thus the accounts have been compiled for the period upto 30/11/2016 and were subject to audit "

In accordance with Standards on auditing we applied other alternate audit procedure so as to obtain sufficient and appropriate audit evidence and found that the financial statements prepared from the books of account and other records retrieved as mentioned above are free from material misstatement enabling us to express opinion on true and fair view of the financial statements.

Report on Other Legal and Regulatory Requirements

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.



(f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

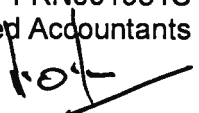
(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) the Company has no pending litigation impacting the financial position in its financial statements .
- (ii) the Company did not have any long-term contracts, including derivative contracts; and
- (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the investor Education and protection Fund. Therefore the question of delay in transferring such sums does not arise.
- (iv) The Company has provided requisite disclosure in the financial statements as to holdings as well as dealings in specified bank Notes during the period from 8th November 2016 to 30th December 2016. Based on the Audit procedure and relying on the management representation we report that the disclosure are in accordance with books of account maintained by the company and as produced to us by the management. (Refer Note 25)

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

For Maharaj N R Suresh and Co
FRN001931S
Chartered Accountants




K V Srinivasan
Partner
M.No:204368

Place: Mumbai
Date: 26.05.2017

ANNEXURE "A" to The Independent Auditor's Report of even date on the Standalone Financial Statements of Systematix Commodities Services Private Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Systematix Commodities Services Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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



Meaning of Internal Financial Controls Over Financial Reporting

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 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.

Annexure "B" to the Independent Auditors' Report of even date on the Standalone Financial Statements of Systematix Commodities Services Private Limited

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

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

(c) According to the information and explanation received by us, as the company owns no immovable properties, the requirements on reporting whether title deeds of immovable properties held in the name of the Company not applicable.



- (ii) According to the information and explanations given to us, the company does not have any inventories as defined in AS -2 valuation of Inventories and hence in our opinion reporting on clause 3(ii) of the Companies (Auditor's report) order 2016 does not arise.
- (iii) The Company has not granted any loans secured or unsecured, to companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The company has not made any investments nor provided any loan, guarantee or security to any company covered under Section 185.
- (v) The Company has not accepted any deposits from the public
- (vi) As per the explanation and information given to us, the Company is not required to maintain cost Records pursuant to Sub-section (1) of Section 148 of the Companies Act, 2013. Accordingly the clause 3 (vi) of the order is not applicable to the company.
- (vii) According to the information and explanations given to us in respect of Statutory dues:
- (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Income Tax, Wealth tax, Service tax, and other material statutory dues applicable to it. There were no undisputed amounts payable in respect of Income Tax, Wealth Tax, and Service Tax, were in arrears as at 31st March 2017 for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Wealth Tax, Service Tax and cess, which have not been deposited on account of any dispute .
- (viii) The Company has not defaulted in repayment of dues to financial institutions, banks, Government or to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of initial public offer or further public offer term loans (including debt instruments) during the year.
- (x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.
- (xi) The Company has not paid or provided managerial remuneration.
- (xii) The Company is not a Nidhi company and hence clause (xii) of Paragraph 3 is not applicable to the Company.
- (xiii) All Transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The company has made preferential allotment of shares during the year under review and the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purpose for which the funds were raised.



- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Maharaj N R Suresh and Co
FRN001931S
Chartered Accountants




K V Srinivasan
Partner
M.No:204368

Place: Mumbai
Date: 26.05.2017

SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED
BALANCE SHEET AS AT 31st MARCH 2017

Particulars	Note No	Year ended 31.03.2017 ₹	Year ended 31.03.2016 ₹
I. EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	2	3,000,000	2,500,000
(b) Reserve and Surplus	3	22,656,130	22,985,171
(2) Current Liabilities			
(a) Short Term Borrowings	4	-	4,738,784
(b) Trade Payables	5	29,246,317	15,139,905
(c) Other Current Liabilities	6	2,355,781	2,332,417
(d) Short-Term Provisions	7	512,727	158,613
TOTAL		57,770,955	47,854,890
II. ASSETS			
(1) Non- Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	-	-
(b) Deferred Tax Assets (Net)	9	402,000	394,000
(c) Long-Term Loans and Advances	10	697,726	794,723
(2) Current Assets			
(a) Trade Receivables	11	1,602,162	2,103,005
(b) Cash and Cash Equivalent	12	42,497,177	33,550,990
(c) Short -Term Loans & Advances	13	12,571,890	11,012,172
TOTAL		57,770,955	47,854,890

Notes on Financial Statements

1 to 27

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

K V Srinivasan
Partner
M.No:204368
Place:Mumbai
Date: 26-05-2017



(Signature)
C. P. Khandelwal
Director

(Signature)
Sunil Sarda
Director

(Handwritten mark)

SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2017

Particulars	Note No	Year Ended 31.03.2017	Year Ended 31.03.2016
		₹	₹
I. Revenue from Operations	15	11,597,469	12,770,538
II. Other Income	16	2,340,986	2,576,222
Total Revenue		13,938,455	15,346,760
III. Expenses:			
Employee Benefits Expense	17	4,047,925	3,404,187
Finance Costs	18	362,757	308,458
Other Expenses	19	10,257,051	11,331,588
Total Expenses		14,667,733	15,044,233
IV. Profit before exceptional & extraordinary items and tax		(729,278)	302,527
V. Exceptional Items		-	123,872
VI. Profit before extraordinary items and tax		(729,278)	178,655
VII. Extraordinary Items		-	-
VIII Profit Before Tax		(729,278)	178,655
IX Tax Expenses			
1) Current Tax		-	132,000
2) Income Tax Relating to Earlier Year		107,763	-
3) Deferred Tax		(8,000)	24,000
X. Profit for the year from continuing operation		(829,041)	22,655
XI Profit for the year		(829,041)	22,655
XII Earnings per equity shares			
1) Basic		(29.98)	0.91
2) Diluted		(29.98)	0.91

Notes on Financial Statements

1 to 27

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

K V Srinivasan
Partner
M.No:204368

Place: Mumbai
Date: 26-05-2017



C. P. Khandelwal
C. P. Khandelwal
Director
Sunil Sarda
Sunil Sarda
Director

KV

(1) Notes On Accounts

1. Significant Accounting Policies

A) General

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

B) Property, Plant & Equipment

Property, plant and equipment are tangible items that:

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

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

Cost of property, plant and equipment comprises:

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

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

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

C) Investments

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

Current Investments are valued at lower of cost and fair value.

D) Inventories

Securities which are intended to be held for less than one year form part of Inventories and are valued at lower of cost and net realisable value.



E) Revenue and Expenditure Recognition

- Revenue from Brokerage activities is accounted on the trade date of Transactions.
- Transactions in respect of investment/dealing in securities are recognized on trade dates.
- Interest Income is accounted on accrual basis.
- Expenditure is accounted for on their accrual.

F) Employee Benefits

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

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

G) Taxes on Income

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

H) Impairment of Assets

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

I) Provisions, Contingent Liabilities and Contingent Assets

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



SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED

Particulars	Year ended 31.03.2017		Year ended 31.03.2016	
	₹		₹	
2) SHARE CAPITAL				
Authorised	Par Value		Par Value	
a) 50000 Equity Shares (Previous Year 25000 Equity Shares)	100	5,000,000	100	2,500,000
b) 1000000 - 6% Redeemable Preference Shares (Previous Year 1250000 Redeemable Preference Shares)	10	10,000,000	10	12,500,000
Total	<u>15,000,000</u>		<u>15,000,000</u>	
c) Issued, Subscribed and Fully Paid Up				
30000 Equity Shares (Previous year 25000 Equity Shares)	100	3,000,000	100	2,500,000
Total	<u>3,000,000</u>		<u>2,500,000</u>	
(d) Reconciliation of shares outstanding at the beginning and at the end of the year:				
Equity Shares	No of Shares	Value	No of Shares	Value
		₹		₹
Shares outstanding at the beginning of the year	25000	2500000	25000	2500000
Issued during the year	5000	500000	-	-
Shares outstanding at the end of the year	30000	3000000	25000	2500000
e) Details of Shares held by Holding Company/Ultimate Holding Company and their Subsidiaries and Associates				
	31.03.2017		31.03.2016	
Systematix Corporate Services Limited	30000		25000	
f) List of Share Holders Holding more than 5%				
Name of Shareholder	31.03.2017		31.03.2016	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Equity Shares				
Systematix Corporate Services Limited and its Nominees	30000	100.00%	25000	100.00%
	As At 31.03.2017		As At 31.03.2016	
	₹		₹	
3) RESERVE AND SURPLUS				
Securities Premium Account				
Opening Balance	15,200,000		15,200,000	
Add: Additions during the year	500,000		-	
Closing Balance	<u>15,700,000</u>		<u>15,200,000</u>	
Surplus ie balance in Statement of Profit & Loss				
Opening Balance	7,785,171		7,762,516	
Add Profit for the year	(829,041)		22,655	
Closing balance	<u>6,956,130</u>		<u>7,785,171</u>	
Total	<u>22,656,130</u>		<u>22,985,171</u>	



SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED

Particulars	Year ended 31.03.2017 ₹	Year ended 31.03.2016 ₹
4) Short Term Borrowings:		
Secured:		
i) Loan from Banks		
Axis Bank Ltd	-	4,738,784
Overdraft against Fixed Deposit repayment on demand (Original FDR duly discharged in favour of AXIS Bank Limited)		
Total	-	4,738,784
5) TRADE PAYABLES		
Total outstanding dues of Micro Enterprise and Small Enterprise		
Total outstanding dues of creditors other than Micro Enterprise and Small Enterprise		
Goods		
Services	29,246,317	15,139,905
Total	29,246,317	15,139,905
The disclosure requirements, as required under Micro, Small and Medium Enterprises development Act, 2006 is as follows:		
Principal amount due as on March 31	-	-
Interest due and unpaid on the above as on March 31	-	-
Interest paid	-	-
Interest due and payable	-	-
Interest accrued and remaining unpaid as on March 31	-	-
Amount of further interest remaining due and payable in the succeeding years		
6) OTHER CURRENT LIABILITIES		
Security Deposit	2,249,111	2,204,409
Others-Tax Deducted at Source and VAT	106,670	128,008
Total	2,355,781	2,332,417
7) SHORT TERM PROVISIONS		
Provision for Employee Benefits	512,727	158,613
Total	512,727	158,613



SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED

8) TANGIBLE ASSETS

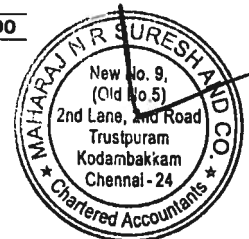
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Description	GROSS BLOCK		DEPRECIATION			NET BLOCK			
	As at 01.04.2016	Additions	Deletions	As at 31.03.2017	As at 01.04.2016	For the Year	Upto 31.03.2017	As at 31.03.2017	As at 01.04.2016
Plant & Machinery	1,043,966	-	1,043,966	-	1,043,966	-	-	-	-
TOTAL	1,043,966	-	1,043,966	-	1,043,966	-	-	-	-
PREVIOUS YEAR	1,043,966	-	-	1,043,966	-	-	1,043,966	-	-

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SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED

Particulars	As At	As At
	31.03.2017	31.03.2016
	₹	₹
9) DEFERRED TAX ASSETS		
Deferred Tax Assets on account of:		
i) Depreciation	15	42
ii) Others	401,985	393,958
Total	402,000	394,000
10) LONG TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Advance Income Tax (Net of Provisions)	697,726	794,723
Total	697,726	794,723
11) TRADE RECEIVABLES		
Unsecured considered good		
Exceeding Six Months	1,526,896	1,915,492
Others	75,266	187,513
Unsecured considered doubtful		
Exceeding Six Months	831,866	1,245,515
Less: Provision for Doubtful Debts	831,866	1,245,515
Total	1,602,162	2,103,005
12) CASH AND CASH EQUIVALENTS		
Cash and Cash equivalents		
Balances with Banks		
In Current Account	13,788,736	3,581,082
Other Bank Balances		
In Deposit Account offered as Security/Margin *	28,702,672	29,827,673
Cash On Hand	5,769	142,235
Total	42,497,177	33,550,990
* Deposit with more than 12 months Maturity	750,000	750,000
13) SHORT TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Deposits	11,080,000	9,830,000
Prepaid Expenses	210,486	249,616
Service tax Entitlement	2,231	19,100
Advance Income Tax (Net of Provisions)	216,186	10,162
Due From Related Parties	-	33,822
Others	1,062,987	869,472
Total	12,571,890	11,012,172
14) Contingenet Liabilities		
Contingent Liabilities on account of Guarantees given to banks	60,000,000	40,000,000
Total	60,000,000	40,000,000



SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
	₹	₹
15) REVENUE FROM OPERATIONS		
Brokerage Income	11,594,774	12,472,978
Other Operating Income	2,695	297,560
Total	11,597,469	12,770,538
16) OTHER INCOME		
Interest	2,161,852	1,422,616
Profit on Sale of Mutual Fund	80,834	967,180
Misc Income	98,300	144,700
Other Non Operating Income	-	41,726
Total	2,340,986	2,576,222
17) EMPLOYEES BENEFITS EXPENSE		
Salaries	4,047,745	3,403,857
Staff Welfare	180	330
Total	4,047,925	3,404,187
18) FINANCE COSTS		
Other Borrowing Cost	362,757	308,458
Total	362,757	308,458
19) OTHER EXPENSES		
Remissary Charges	6,772,761	6,877,101
Transaction Charges	1,564,695	1,835,087
Penalty Charges	92,168	296,747
Rent	30,000	25,000
Rates & Taxes	9,271	14,785
Subscription Charges	346,192	296,002
Communication	501,383	486,016
Insurance	15,445	15,389
Support Charges	-	500,000
Professional & Consultancy	146,063	378,126
Auditors Remuneration*	50,000	50,000
Business Promotion	32,500	205,198
Bad debts	806,082	
Provision for Doudtful Debts	392,433	232,268
Provision no longer required	(806,082)	(190,685)
Others	304,140	310,554
Total	10,257,051	11,331,588
*ADDITIONAL INFORMATION		
i) Statutory Audit	40,000	40,000
ii) Tax Audit	10,000	10,000
Total	50,000	50,000



20) A massive fire broke out in the Registered office of the Company at J K Somani Building 2nd Floor British Hotel Lane Fort Mumbai-400001 on 30/11/2016 at 21.30 hours in which the fixed assets including IT Systems, books of account maintained in the IT systems, bills, Vouchers, Statutory records like Service Tax returns, e-TDS returns, PF returns, records of Stock Exchange related payments and correspondence with Exchanges and clients got destroyed. However, the books of accounts have been recovered from the mirror server maintained as a part of disaster recovery system(DRS); copies of bank statements have been obtained. Soft copies of the various statutory returns such as Service Tax returns, e-TDS returns, PF returns and returns to Stock exchanges have been downloaded from the respective websites Confirmations of balances were sent to all clients subsequently. Thus the accounts have been compiled for the period upto 30/11/2016 and were subject to audit

21) The Company has sent letters to Debtors, Creditors, however the Company received the confirmation only in few cases.

22) Related Party Transactions:

a) Holding Company

- Systematix Corporate Services Limited

b) Presumption of Significance influence-

Companies

- Systematix Finvest Private Limited
- Systematix Shares & Stocks (I) Ltd
- Systematix Capital Services Private Limited
- Systematix Fincorp India Limited
- Ceepeek Real Estate Pvt Limited
- Rangsharda Properties Private Limited
- Shubham Mangalam Real Estate Pvt Limited
- Snehvardhini Properties Pvt Limited
- Tek Point Properties Private Limited
- Funsign Real Estate Pvt Limited
- Superstar Exports Private Limited.
- Topcity Trading Company Private Limited
- Riteplaza Trading Company Private Limited
- Magicline Trading Company Private Limited
- Goldflag Exports Private Limited
- Goldlife Trading Company Private Limited
- Thirdwave Mercantile Company Private Limited
- Shiv Shakti Real Estate Pvt Limited
- Nikunj Mercantile Private Limited
- Systematix Assets Management Company Pvt Ltd
- Wonderdream Realtors Private Limited
- Systematix Distributions Services Pvt Limited
- Systematix Ventures Private Limited (Formally known as Sixth Sense Ventures Pvt Ltd)
- Perspire Builders & Developers Private Limited

Partnership Firms/LLP's
Sterling Dreamworks Partners LLP
Divisha Real Estate Advisors LLP
Divisha Realty LLP
Divisha Developers LLP

c) Description of relationship of related Parties:

Presumption of significant influence.

d) Transaction detail

Name of the Related party	Description of Transaction and amount during the year		Amount outstanding
	Rs in lakhs		
Systematix Shares & Stocks (I) Limited	DP Charges Paid	0.02	
Systematix Corporate Services Limited	Corporate Guarantee given by Systematix shares for Bank Guarantee	600.00	Liability 30 000 Equity Shares 100%
Systematix Finvest Private Limited	Loan Received	67.00	
	Loan Repaid	67.00	
	Interest Paid	0.06	
Ceepeek Real Estate Private Limited	Rent	0.30	
Ms. Anju Khandelwal	Sitting Fee	0.13	

23. Employee Benefits:

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

GENERAL DESCRIPTION	Post employment Benefit Gratuity			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
i) Changes in the Present Value Of the Obligation (PVO)- Reconciliation of Opening and Closing Balances:				
PVO as at the beginning of the Period	273836	304113	252731	4 04 337
Interest Cost	21907	19141	23251	32 549
Current Service Cost	134397	149776	89387	96 673
Past service Cost-(non Vested benefits)	0	0	0	0
Benefits paid	0	(117443)	0	0
Actuarial Loss/(gain) on obligation	199634	(81 751)	(61 256)	(2 80 828)
PVO as at the end of the period	629774	273836	3 04 113	2 52 731
ii) Changes in Fair Value of Plan Assets				
Fair Value of Plan Assets at the beginning of the Period	115223	220424	45008	0
Adjustment to Opening Fair value of Plan Assets	0	0	2050	0
Expected Return on Plan Assets	10100	14100	11200	1 800
Contributions			160867	42 215



GENERAL DESCRIPTION	Post employment Benefit Gratuity			
	31.03.2017	31.03.2016	31.03.2015	31.03.2014
Benefit Paid	0	(117443)	0	0
Actuarial gain/(loss) on plan assets	(8276)	(1858)	1299	993
Fair Value of Plan Assets at the end of the period	117047	115223	220424	45 008
iii) Amount recognized in the Balance Sheet and Related Analysis				
Present value of obligation	629774	273836	304113	2 52 731
Fair value of Plan assets	117047	115223	220424	45 008
Difference Liability Recognized in the Balance Sheet	512727	158613	83689	2 07 723
iv) Expenses Recognized in the Profit & Loss account				
Current service Cost	134397	149776	89387	96 673
Interest Cost	21907	19141	23251	32 549
Expected Return of Plan Assets	(10100)	(14100)	(11 200)	(1 800)
Net actuarial (gain)/loss recognized In the year	207910	(79893)	(62555)	(2 81 821)
Past service cost – vested benefits	0	0	0	0
Expenses recognized in the statement of Profit and loss	354114	74924	38883	(1 54 339)
v) Principal Actuarial Assumption (Expressed as weighted averages)				
Discount Rate	6.84%	8.00%	7.80%	9.20%
Salary Escalation Rate	15.00%	15.00%	15.00%	15.00%
Attrition Rate	Age < 45: 15% Age > 45: 5%	Age < 45: 15% Age > 45: 5%	Age < 45: 15% Age > 45: 5%	Age < 45: 15% Age > 45: 5%
Expected rate of return on plan assets	8.15%	8.75%	8.75%	8.75%

24. Basic & Diluted Earnings per share:

Particulars	2016-17	2015-16
Net Profit/(Loss) attributable to equity share holders	(8 29 041)	22 655
Weighted Average Number of Equity shares	27 658 (Face Value of Rs.100/- each)	25000 (Face Value of Rs.100/- each)
Basic Earnings Per Share	-29.98	0.91
Weighted Number of equity shares outstanding for Diluted EPS	27 658 (Face Value of Rs 100/- each)	25000 (Face Value of Rs 100/- each)
Diluted Earnings Per share	-29.98	0.91



25. The Details of Specified bank notes (SBN) and other currency notes held and transacted during the period from 08.11.2016 to 30.12.2016 are provided in the table below:

	SBNs #	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	80000	504	80504
(+) Permitted receipts	-	170000	170000
(-) Permitted payments	-	130511	130511
(-) Amount deposited in Banks	80000	-	80000
Closing cash in hand as on 30.12.2016	-	39993	39993

26. Trade receivables Rs 261.49 Crores due from National Spot Exchange Limited is subjudice and is pending adjudication before the High Court of Mumbai and is net of an equal amount payable to investors upon receipt from NSEL.

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

Vide our report of date attached

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


K V SRINIVASAN
Partner
M.NO:204368

Place: Mumbai
Date: 26-05-2017



For & on behalf of Board of Directors


C. P. Khandelwal
Director



Sunil Sarda
Director

SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED

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

Particulars	31.03.2017	31.03.2016
	₹	₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary items	(729,278)	178,655
Adjustments for : -		
1 Interest/Dividend Received	(2,161,852)	(1,422,616)
Operating profit before working capital changes	(2,891,130)	(1,243,963)
Adjustments for : -		
1 Trade and Other Current Assets	(1,069,641)	11,357,758
2 Trade and other Payables	14,483,890	(8,140,962)
Cash Generated from operation	10,523,119	1,972,833
1 Interest Paid	-	-
Cash Flow Before extraordinary items	10,523,119	1,972,833
1 Extraordinary items	-	-
Net Cash from/ (Used) in Operating activities	10,523,119	1,972,833
B CASH FLOW FROM INVESTING ACTIVITIES		
1 Interest /Dividend Received	2,161,852	1,422,616
Net Cash from/ (Used) in investing activities	2,161,852	1,422,616
C CASH FLOW FROM FINANCING ACTIVITIES		
1 Proceeds from issue of Share Capital	1,000,000	-
2 Proceeds from Long and Short Term Borrowings	(4,738,784)	4,738,784
Net Cash from financiag activities	(3,738,784)	4,738,784
Net increase in Cash and Cash equivalents (A+B+C)	8,946,187	8,134,233
Cash and Cash equivalents as (Opening Balance)	33,550,990	25,416,757
Cash and Cash equivalents as (Closing Balance)	42,497,177	33,550,990

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


K V Srinivasan
Partner
M.No:204368

Place:Mumbai
Date: 26-05-2017




C.P.Khandelwal
Director


Sunil Sarda
Director

OK