

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED

#### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2018, 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.

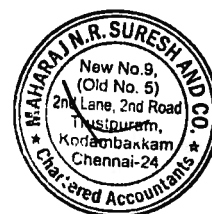
#### Management's Responsibility for the Standalone Financial Statements

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.

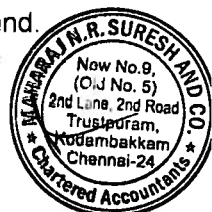
## Opinion

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 31<sup>st</sup> March, 2018, and its Profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements


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

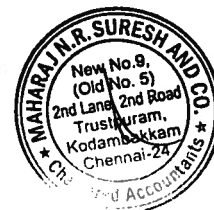
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of 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 31<sup>st</sup> March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018 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 disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note No. 18 (a) (i) to the 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.



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:29.05.2018

**ANNEXURE "A" to The Independent Auditor's Report of even date on the Standalone Financial Statements of Systematix Shares and Stocks (India) 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 Shares and Stocks (I) Limited ("the Company") as of March 31, 2018 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.

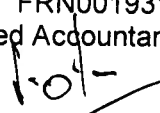
## Inherent Limitations of Internal Financial Controls Over Financial Reporting

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, 2018, 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 Maharaj N R Suresh and Co  
FRN001931S  
Chartered Accountants

  
K V Srinivasan  
Partner  
M.No:204368

Place: Mumbai  
Date:29.05 2018



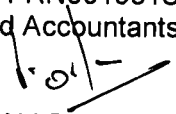
**Annexure "B" to the Independent Auditors' Report of even date on the Standalone Financial Statements of Systematix Shares and Stocks (India) Limited**

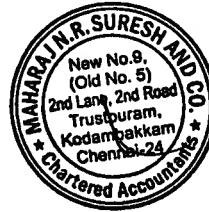
- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) These fixed assets have been physically verified by the Management at reasonable intervals which, in our opinion, is reasonable, having regard to the size 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 loans, secured or unsecured, to Companies, firms, Limited liability Partnership or other parties covered in the register maintained under Section 189 of the Companies Act,2013.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act,2013 in respect of, Investments provided by the company. The company has not granted loans or provided any 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 Provident Fund, Income Tax, Wealth tax, Service tax, ESI, Professional 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 2018 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 managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi company and hence 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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Maharaj N R Suresh and Co  
FRN001931S  
Chartered Accountants

  
K V Srinivasan  
Partner  
M.No:204368



Place: Mumbai  
Date:29.05.2018

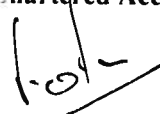
**SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED**

**BALANCE SHEET AS AT 31ST MARCH 2018**

Particulars	Note No	As at	As at
		31.03.2018	31.03.2017
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders Funds</b>			
(a) Share Capital	2	41,635,000	41,635,000
(b) Reserve and Surplus	3	392,095,337	381,390,580
<b>(2) Non Current Liabilities</b>			
Long Term Borrowings	4	7,846,812	-
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	5	9,508,746	-
(a) Trade Payables	6	233,339,312	266,452,658
(b) Other Current Liabilities	7	24,544,953	23,775,449
(c) Short-Term Provisions	8	4,638,690	3,848,820
<b>TOTAL</b>		<b>713,608,850</b>	<b>717,102,507</b>
<b>II. ASSETS</b>			
<b>(1) Non- Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	9	19,923,467	6,983,913
(ii) Intangible Assets	10	2,970,737	6,466,865
(b) Non Current Investments	11	-	20,000,000
(c) Deferred Tax Assets	12	2,470,000	2,360,000
(d) Long Term Loans and Advances	13	33,243,524	35,327,849
<b>(2) Current Assets</b>			
(a) Inventories	14	21,279,327	10,500,000
(b) Trade Receivables	15	151,702,481	109,517,581
(c) Cash and Cash Equivalent	16	301,284,719	334,446,566
(d) Short-Term Loans and Advances	17	180,734,595	191,499,733
<b>TOTAL</b>		<b>713,608,850</b>	<b>717,102,507</b>

**Notes on Financial Statement 1 t 29 For & on behalf of the Board of Directors**

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 29.05.2018



  
C.P. Khandelwal  
Director

  
Sunil Sarda  
Director



**SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2018**


Particulars	Note No	Year Ended 31.03.2018	Year Ended 31.03.2017
		₹	₹
Revenue from Operations	19	245,587,698	169,292,641
Other Income	20	49,124,875	32,778,065
<b>Total Revenue</b>		<b>294,712,573</b>	<b>202,070,706</b>
<b>EXPENSES</b>			
Employee Benefits Expense	21	118,963,175	56,029,672
Finance Costs	22	4,130,409	3,341,288
Depreciation and Amortisation Expenses	09-10	7,467,458	7,699,121
Other Expenses	23	148,557,774	112,400,957
<b>Total Expenses</b>		<b>279,118,816</b>	<b>179,471,038</b>
Profit Before Exceptional and Extraordinary Items & Tax		<b>15,593,757</b>	<b>22,599,668</b>
Extraordinary Items		-	1,751,769
<b>Profit Before Tax</b>		<b>15,593,757</b>	<b>20,847,899</b>
<b>Tax Expenses</b>			
Current Tax		4,999,000	6,218,000
Deferred Tax		(110,000)	970,000
Income Tax Relating to Earlier Years		-	(632,198)
<b>Profit for the year from continuing Operations</b>		<b>10,704,757</b>	<b>14,292,097</b>
<b>Profit for the Period</b>		<b>10,704,757</b>	<b>14,292,097</b>
<b>Earnings Per Equity Shares</b>			
1) Basic		2.57	3.43
2) Diluted		2.57	3.43

**Notes on Financial Statements**


1 to 29

For & on behalf of the Board of Directors

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

  
**C.P.Khandelwal**  
**Director**

  
**Sunil Sarda**  
**Director**

  
**K V Srinivasan**  
**Partner**  
**M.No:204368**



Place. Mumbai  
Date. 29.05.2018

**SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31ST MARCH 2018**

Particulars	31.03.2018 RS	31.03.2017 RS
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary items	15,593,757	22,599,668
Adjustments for :-		
1 Depreciation	7,467,458	7,699,121
2 Interest/Dividend Received	(17,396,467)	(15,696,134)
3 Loss (Profit) on Sale of Fixed Assets	(432,709)	3,149,776
<b>Operating profit before working capital changes</b>	<b>5,232,039</b>	<b>17,752,432</b>
Adjustments for :-		
1 Trade Receivables, Inventories and Other Current Assets	(40,116,572)	(50,444,874)
2 Trade and other Payables	(36,552,972)	64,451,545
<b>Cash Generated from operation</b>	<b>(71,437,505)</b>	<b>31,759,102</b>
1 Interest Paid	-	-
<b>Cash Flow Before extraordinary items</b>	<b>(71,437,505)</b>	<b>31,759,102</b>
1 Extraordinary items	-	632,198
<b>Net Cash from/ (Used ) in Operating activities</b>	<b>(71,437,505)</b>	<b>32,391,300</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
1 Purchase of Fixed Assets	(18,056,364)	(6,940,622)
2 Sale of Fixed Assets	1,580,000	150,000
3 Investments in Debenture	20,000,000	(20,000,000)
4 Interest /Dividend Received	17,396,467	15,696,134
<b>Net Cash from/ (Used) in investing activities</b>	<b>20,920,103</b>	<b>(11,094,488)</b>
<b>C CASH FLOW FROM FINANCIANG ACTIVITIES</b>		
1 Proceeds from issue of Share Capital	-	-
2 Proceeds from Secured & Unsecured Loans	17,355,558	-
<b>Net Cash from financiing activities</b>	<b>17,355,558</b>	<b>-</b>
<b>Net increase in Cash and Cash equivalents (A+B+C)</b>	<b>(33,161,844)</b>	<b>21,296,812</b>
Cash and Cash equivalents as (Opening Balance)	334,446,566	313,149,754
Cash and Cash equivalents as (Closing Balance)	301,284,722	334,446,566

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:29.05.2018



For & on behalf of the Board of Directors

*(Signature)*

**C.P.Khandelwal**  
Director

*(Signature)*

**Sunil Sarma**  
Director

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## **SYSTEMATIX SHARES AND STOCK INDIA LIMITED**

### **NOTES ON ACCOUNTS**

#### **1. Significant Accounting Policies**

##### **A) Basis of Preparation of Financial Statements**

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

##### **B) Use of Estimates**

Estimates and assumptions made by the management in the preparation of financial statements have a bearing on reported amounts of financial results, Assets & Liabilities and the disclosure of Contingent Liabilities. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively.

##### **C) Property, Plant & Equipment**

Property, plant and equipment are tangible items that:

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

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

Cost of property, plant and equipment comprises:

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

Depreciation on Fixed Assets is provided under Straight Line Method in accordance with estimated useful lives as specified in Schedule II to the Companies Act, 2013, and reckoning the residual value at 5% of the original cost of the asset.

Intangible asset

- (i) Membership Rights in Bombay Stock Exchange Limited, is amortised on straight line method basis over a period of five years.
- (ii) Software Purchased is amortised on straight line method basis over a period of ten years.

##### **D) Inventories**

Securities which are intended to be held for less than 1 year form part of inventories and are valued at lower of cost and net realizable value.



## **(E) 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.

## **F) Revenue and Expenditure Recognition**

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

### Expenditure

- Expenditure is accounted for on their accrual.

## **G) 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.

Contributions to defined contribution schemes towards retirement benefits in the form of provident fund /ESI for the year are charged to Statement of Profit & Loss as incurred.

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

## **H) Borrowings Costs**

Borrowing costs (net of income earned on temporary investments on those borrowings) directly attributable to the acquisition, construction Production of qualifying assets are capitalized as part of the cost of the assets.

Other Borrowings costs are recognised as expense as and when incurred.

## **I) Taxes on Income**

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

## **J) Provisions, Contingent Liabilities and Contingent Assets**

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



**SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED**

Particulars	As at 31.03.2018 ₹		As at 31.03.2017 ₹	
<b>2) SHARE CAPITAL</b>	<b>Par Value</b>		<b>Par Value</b>	
<b>a) Authorised:</b>				
50 00 000 Equity Shares	10	<u>50,000,000</u>	10	<u>50,000,000</u>
1 55 00 000 6% Redeemable Preference Shares	10	<u>155,000,000</u>	10	<u>155,000,000</u>
<b>b) Issued,Subscribed and Fully paid-up</b>				
41 63 500 Equity Shares	10	41,635,000	10	41,635,000
<b>c) Reconciliation of shares outstanding at the beginning and at the end of the year:</b>				
Equity Shares	<b>No.</b>	<b>Value</b>	<b>No.</b>	<b>Value</b>
Shares outstanding at the beginning of the year	4163500	41635000	4163500	41635000
Shares outstanding at the end of the year	4163500	41635000	4163500	41635000
<b>d) Details of Shares held by Holding Company/Ultimate Holding Company and their Subsidiaries and Associates</b>		<b>As at 31.03.2018</b>		<b>As at 31.03.2017</b>
Systematix Corporate Services Ltd (Holding Companies)		4,162,900		4,162,900
C P Khandelwal		100		100
Anju Khandelwal		100		100
Radhe Shyam Khandelwal		100		100
Nikhil Khandelwal		100		100
J N Khandelwal		100		100
Priyanka Khandelwal		100		100
<b>e) List of Shareholders holding more than 5%</b>				
<b>Name of Shareholder(s)</b>	<b>AS AT 31.03.2018 No of Shares</b>	<b>% of Holding</b>	<b>AS AT 31.03.2017 No of Shares</b>	<b>% of Holding</b>
<b>Systematix Corporate Services Ltd and its Nominees</b>	<b>4163500</b>	<b>1</b>	<b>4163500</b>	<b>1</b>
<b>3) RESERVE AND SURPLUS</b>				
<b>Securities Premium Account</b>				
Opening Balance				
		278,372,000		278,372,000
<b>General Reserve</b>				
Opening Balance	30,372,508		30,372,508	
Add:				
Transferred during the year		30,372,508		30,372,508
<b>Surplus ie balance in statement of Profit and loss</b>				
Opening Balance	72,646,072		58,353,976	
Add: Profit/(Loss) for the year	10,704,757		14,292,097	
Closing Balance		83,350,829		72,646,072
<b>Total</b>		<u><b>392,095,337</b></u>		<u><b>381,390,580</b></u>
<b>4) LONG-TERM BORROWINGS</b>				
Kotak Mahindra Prime Limited		7,846,812		
(Long term debt including Current maturities are Secured by Hypothecation of Car)				
<b>Total</b>		<u><b>7,846,812</b></u>		



**SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED**

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
<b>5) SHORT-TERM BORROWINGS</b>		
<b>From Banks-Secured</b>		
Working Capital Loans Cash credit (Secured by Hypothecation of Receivables and pledge of fixed Deposit and Shares )	9,508,746	-
<b>Total</b>	<b>9,508,746</b>	<b>-</b>
<b>6) TRADE PAYABLES</b>		
Total outstanding dues of Micro enterprise and Small enterprise		
Total outstanding dues of creditors other than Micro enterprise and small enterprise		
Goods		
Services	233,339,312	266,452,658
<b>Total</b>	<b>233,339,312</b>	<b>266,452,658</b>
<b>The disclosure requirements, as required under Micro, Small and Medium Enterprises development Act, 2006 is as follows:</b>		
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year	-	-
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iv) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
v) Interest accrued and remaining unpaid at the end of each accounting year	-	-
vi) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-
<b>7) OTHER CURRENT LIABILITIES</b>		
Current maturities of long term debt	1,743,570	-
Income Received In advance	-	3,149,850
Security Deposits	12,627,007	14,760,641
Liability for Employees	5,050,083	1,803,178
Others Tax Deducted at Source & Service Tax	5,124,293	4,061,780
<b>Total</b>	<b>24,544,953</b>	<b>23,775,449</b>
<b>8) SHORT TERM PROVISIONS</b>		
Provision for Employee Benefits	3,636,388	127,510
Provision for Tax (Net of Provisions)	1,002,303	3,721,310
<b>Total</b>	<b>4,638,691</b>	<b>3,848,820</b>



9) TANGIBLE ASSETS

SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED

S No	Particulars	Gross Block			Depreciation			Net Block		
		As At 01.04.2017	Additions	Deletions	As At 31.03.2018	As at 01.04.2017	For the Period	withdrawn	As At 31.03.2018	As at 31.03.2017
1	Buildings					(0)		(0)	0	0
2	Plant & Machinery	59,965,273	4,259,497		64,224,770	56,390,751	2,511,505	58,902,256	5,322,514	3,574,522
3	Furniture & Fixtures	6,027,407	51,800		6,079,207	4,722,703	377,848	5,100,552	978,655	1,304,704
+	Vehicles	12,883,464	13,220,067	9,721,926	16,381,605	10,778,778	555,165	2,759,307	13,622,298	2,104,687
	<b>TOTAL</b>	<b>78,876,144</b>	<b>17,531,364</b>	<b>9,721,926</b>	<b>86,685,582</b>	<b>71,892,232</b>	<b>3,444,518</b>	<b>66,762,115</b>	<b>19,923,467</b>	<b>6,983,913</b>
	<b>Previous year</b>	<b>99,519,539</b>	<b>5,984,254</b>	<b>26,627,648</b>	<b>78,876,145</b>	<b>88,411,570</b>	<b>5,056,766</b>	<b>71,892,232</b>	<b>6,983,913</b>	<b>11,107,969</b>

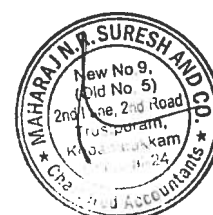
10) INTANGIBLE ASSETS

S No	Particulars	Gross Block			Depreciation			Net Block		
		As At 01.04.2017	Additions	Deletions	As At 31.03.2018	As at 01.04.2017	For the Period	On assets withdrawn	As At 31.03.2018	As at 31.03.2017
1	Membership Rights in Bombay Stock Exchange Ltd	27,700,000			27,700,000	27,700,000	0	0	27,700,000	0
2	Computer Software	37,938,977	525,000		38,463,977	31,470,300	4,022,940		35,493,240	2,970,737
	<b>TOTAL</b>	<b>65,638,977</b>	<b>525,000</b>		<b>66,163,977</b>	<b>59,170,300</b>	<b>4,022,940</b>	<b>0</b>	<b>63,193,240</b>	<b>6,468,677</b>
	<b>Previous year</b>	<b>64,682,609</b>	<b>956,368</b>		<b>65,638,977</b>	<b>56,529,757</b>	<b>2,642,355</b>		<b>59,172,112</b>	<b>8,152,852</b>
	<b>GRAND TOTAL</b> (Tangible Assets + Intangible Assets)	<b>144,515,122</b>	<b>18,056,364</b>	<b>9,721,926</b>	<b>152,849,559</b>	<b>131,062,532</b>	<b>7,467,458</b>	<b>8,574,635</b>	<b>129,955,355</b>	<b>13,452,589</b>
	<b>Grand Total Previous year</b>	<b>164,202,148</b>	<b>6,940,622</b>	<b>26,627,648</b>	<b>144,515,122</b>	<b>144,941,326</b>	<b>7,699,121</b>	<b>21,576,104</b>	<b>131,064,344</b>	<b>19,260,821</b>



**SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED**

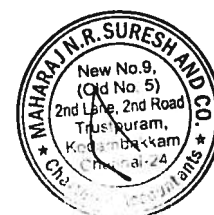
Particulars	As at	
	31.03.2018	31.03.2017
	₹	₹
<b>11) NON-CURRENT INVESTMENTS</b>		
<b>UNQUOTED-LONG TERM</b>	<b>No</b>	<b>Rs.</b>
Investment in Optionally Convertible Debentures (Previous Year -200000)	-	20,000,000
<b>Total</b>	<u>-</u>	<u>20,000,000</u>
<b>Aggregate amount of:</b>		
<b>Unquoted Investments</b>		
-Cost	-	20,000,000
<b>12) DEFERRED TAX ASSETS (NET)</b>		
Deferred Tax Liability on account of Depreciation	961,130	1,762,919
Deferred Tax Asset on account of i) Provision for Gratuity ii) Provision for Doubtful Debts	- 1,508,870	42,155 554,926
<b>Total</b>	<u>2,470,000</u>	<u>2,360,000</u>
<b>13) LONG TERM LOANS AND ADVANCES</b>		
Security Deposits	22,054,000	22,054,000
Prepaid Expenses	430,836	430,836
Advance Tax (Net of Provisions)	10,758,688	12,843,013
<b>Total</b>	<u>33,243,524</u>	<u>35,327,849</u>
<b>14) INVENTORIES</b>		
Stock in Trade **	21,279,328	10,500,000
(For method of Valuation please refer Note No 1 (E) (pledged with National Stock Exchange Towards Margin)		
<b>Total</b>	<u>21,279,328</u>	<u>10,500,000</u>
<b>15) TRADE RECEIVABLES</b>		
<b>Unsecured - Considered Good</b>		
Over Six Months	10,100,270	11,970,350
Others	141,602,212	97,547,231
<b>Unsecured - Considered Doubtful</b>		
Over Six Months	1,805,853	1,677,232
Less: Provision For Doubtful Debts	1,805,853	- 1,677,232
<b>Total</b>	<u>151,702,481</u>	<u>109,517,581</u>





**SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED**

Particulars	As at 31.03.2018 ₹	As at 31.03.2017 ₹
<b>16) CASH AND CASH EQUIVALENTS</b>		
<b>Cash and Cash Equivalents</b>		
<b>Balances With Banks</b>		
In Current Account	46,251,900	111,418,884
<b>Other Bank Balanes</b>		
In Deposit Accounts offered as Security/Margin *	254,867,920	222,811,920
Cash On Hand	164,900	215,762
<b>Total</b>	<b>301,284,720</b>	<b>334,446,566</b>
* Deposit with more than 12 months Maturity	17,000,000	17,000,000
<b>17) SHORT TERM LOANS AND ADVANCES</b>		
<b>Unsecured -Considered Good</b>		
Deposits	172,306,200	177,134,888
Prepaid Expenses	3,319,642	4,680,146
GST Entitlement	233,016	
Service Tax Entitlement	179,135	
Others	4,696,603	9,684,699
<b>Total</b>	<b>180,734,595</b>	<b>191,499,733</b>
<b>18) CONTINGENT LIABILITIES</b>		
<b>(i) Contingent Liabilities</b>		
a) Claims against the company not acknowledged as debt	1,500,000	
b) Guarantees	555,000,000	555,000,000
<b>Total</b>	<b>556,500,000</b>	<b>555,000,000</b>



**SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED**

Particulars	Year Ended 31.03.2018	Year Ended 31.03.2017
	₹	₹
<b>19) REVENUE FROM OPERATIONS</b>		
Brokerage & Services	214,454,381	153,474,204
Other Operating Income	31,133,317	15,818,437
<b>Total</b>	<b>245,587,698</b>	<b>169,292,641</b>
Other Operating Income Includes		
Income from IPO	567,906	95,965
Commission and Incentive Received	30,565,411	15,722,472
<b>Total</b>	<b>31,133,317</b>	<b>15,818,437</b>
<b>20) OTHER INCOME</b>		
Interest	17,396,467	15,696,134
Profit on Sale of Shares/Units	12,201,512	968,368
Profit on Sale of Fixed Assets	432,709	-
Miscellaneous Income	19,094,187	16,113,563
<b>Total</b>	<b>49,124,875</b>	<b>32,778,065</b>
<b>21) EMPLOYEE BENEFIT EXPENSE</b>		
Salaries & Wages	115,783,273	54,562,478
Contribution To Provident & Other Funds	1,114,300	720,788
Staff Welfare	2,065,602	746,406
<b>Total</b>	<b>118,963,175</b>	<b>56,029,672</b>
<b>22) FINANCE COSTS</b>		
Interest on Borrowings	577,851	533,901
Other Borrowing Cost	3,552,558	2,807,387
<b>Total</b>	<b>4,130,409</b>	<b>3,341,288</b>
<b>23) OTHER EXPENSES</b>		
Remisier Charges	46,341,285	34,807,110
Transaction Charges	14,479,266	8,395,409
Commission On Brokerage	340,400	2,911,837
Demat Charges	2,837,477	2,524,028
Connectivity Expenses	8,127,492	5,018,643
Rent	18,567,065	11,336,920
Rates & Taxes	1,702,411	5,242,933
Power & Fuel	2,197,269	3,061,058
<b>Repairs &amp; Maintenance</b>		
Buildings	1,214,922	1,457,295
Others	4,854,247	3,965,822
Insurance	690,007	254,706
Professional & Consultancy	12,088,536	4,380,026
Auditor's Remuneration*	417,977	343,803
Travelling Expenses	9,698,832	8,444,902
Communication	2,468,948	2,468,059



**SYSTEMATIX SHARES AND STOCKS (INDIA) LIMITED**

<b>Particulars</b>	<b>Year Ended 31.03.2018</b>	<b>Year Ended 31.03.2017</b>
	₹	₹
Membership & Subscription	8,578,489	5,496,487
Business Promotion Expenses	8,539,489	5,805,838
Assets Discarded		3,055,509
Loss on Sale of Assets		94,267
Bad Debts		4,487,505
Provision no longer required		(5,368,868)
Provision for Bad and Doubtful Debts	128,621	
Other Expenses	5,285,041	4,217,667
<b>Total</b>	<b>148,557,774</b>	<b>112,400,957</b>
<b>*Additional Information</b>		
a) Statutory Audit	250,000	250,000
b) Tax Audit	50,000	50,000
c) For Expenses	117,977	43,803
<b>Total</b>	<b>417,977</b>	<b>343,803</b>



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

**25. Related Party Transactions:**

**a) Holding Company**

- Systematix Corporate Services Limited

**b) Presumption of Significance influence**

**Companies**

- Systematix Commodities Services Pvt Ltd
- Systematix Distributions Services Pvt Ltd
- Systematix Finvest Private Limited
- Systematix Capital Services Private Limited
- Systematix Fincorp India Limited
- Ceepeek Real Estate Pvt Limited
- Rangsharda Properties Private Limited
- Shubham Mangalam Real Estate Pvt Limited
- Snehavardhini Properties Pvt Limited
- Tek Point Properties Private Limited
- Funsign Real Estate Pvt Limited
- Superstar Exports Private Limited.
- Topcity Trading Company Private Limited
- Riteplaza Trading Company Private Limited
- Magicline Trading Company Private Limited
- Goldflag Exports Private Limited
- Goldlife Trading Company Private Limited
- Thirdwave 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 Ventures Private Limited (Formally known as Sixth Sense Ventures Pvt Ltd)
- Perspire Builders & Developers Private Limited
- First Lady Housing Private Limited
- Swaraj Apartments Private Limited

**Partnership Firms/LLP's**

- Sterling Dreamworks Partners LLP
- Divisha Real Estate Advisors LLP
- Divisha Realty LLP
- Divisha Developers LLP
- Divisha Lifestyle LLP
- Urban Affordable Housing LLP

**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 Corporate Services Ltd.			Liability 41 63 500 Equity Shares 100%
	Corporate guarantee taken for BG & OD	6855.00	
	DP Charges	0.02	
Systematix Capital Services Private Limited	DP Charges		
Systematix Finvest Private Limited	DP Charges received	0.08	0.01
Systematix Fincorp India Ltd.			
	Recd. towards DP Charges	13.57	0.65
	Purchase of Shares	143.14	
Systematix Commodities Services Private Limited	DP Charges Received	0.02	
Systematix Distributions Services Private Limited	Prof Fees Paid	38.00	
	DP Charges Received	0.02	
Ceepeck Real Estate Private Limited	Rent paid	0.90	

e) Key Managerial Personnel

Mr. Nikhil Khandelwal, Mr. Sunil Sarda

Particulars	Key Managerial Person	
	31.03.2018	31.03.2017
	(Amount in Rs.)	
Sunil Sarda	47 04 000	47 04 000
Nikhil Khandelwal	15 00 000	7 00 000

26) Employee Benefits:

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

General description	(Amount in Rs.)			
	As on 31.03.2018	As on 31.03.2017	As on 31.03.2016	As on 31.03.2015
i) Changes in the Present	Rs.	Rs.	Rs.	Rs.



<b>Value Of the Obligation (PVO)-</b>				
<b>Reconciliation of Opening and Closing Balances:</b>				
PVO as at the beginning of the Period	6 635 765	99 56 553	98 61 970	55 40 579
Interest cost	451 892	7 88 597	7 59 056	5 09 329
Current service cost	2 008 580	14 27 376	17 98 762	16 72 475
Benefits paid	(58 321)	(1 98 173)	(2 60 957)	(8 785)
Actuarial Loss/(Gain) on obligation	(392 312)	(53 38 588)	(22 02 278)	21 48 372
PVO as at the end of the period	10 429 620	66 35 765	99 56 553	98 61 970
<b>ii) Changes in Fair Value of Plan Assets</b>				
Fair Value of Plan Assets at the beginning of the Period	6 508 255	62 73 397	36 24 567	11 24 372
Adjustment to Opening Fair value of Plan Assets	0	0	8 785	(133 630)
Expected Return on Plan Assets	528 000	5 40 300	4 15 800	1 92 600
Contributions	0	0	24 99 046	24 28 625
Benefit Paid	(58 321)	(1 98 173)	(2 60 957)	(8 785)
Actuarial gain/(loss) on plan assets	(126 145)	(1 07 269)	(13 844)	21 375
Fair Value of Plan Assets at the end of the period	6 851 789	65 08 255	62 73 397	36 24 567
<b>iii) Amount recognized in the Balance Sheet and Related Analysis</b>				
Present value of obligation	10 429 620	66 35 765	99 56 553	98 61 970
Fair value of Plan assets	6 851 789	65 08 255	62 73 397	36 24 567
Funded Status	(3 577 831)	1 27 510	36 83 156	62 37 403
Liability Recognized in the Balance Sheet	(3 577 831)	1 27 510	36 83 156	62 37 403
<b>iv) Expenses Recognized in the Profit &amp; Loss account:</b>				
Current service Cost	2 008 580	14 27 376	17 98 762	16 72 475
Interest Cost	421 892	7 88 597	7 59 056	5 09 329
Past Service Cost-(Vested Benefits)	882 278			
Expected Return on Plan Assets	(5 28 000)	(5 40 300)	(4 15 800)	(1 92 600)
Net actuarial (gain)/loss recognized In the year	5 18 457	(52 31 319)	(21 88 434)	21 26 997
Expenses recognized in the statement of Profit and loss	35 08 878	(35 55 646)	(46,416)	41 16 201
<b>v) Principal Actuarial Assumption</b>				



Discount Rate	7.60%	6.84%	8.00%	7.80%
Salary Escalation Rate	11%	11.00%	16.00%	15.00%
Attrition Rate	Up to age 45 : 15.00% 46 & above : 5%	Up to age 45 : 15.00% 46 & above : 5%	Up to age 45 : 15.00% 46 & above : 5%	Up to age 45 : 15.00% 46 & above : 5%
Expected Rate of Return on Plan Assets	8%	8.15%	8.75%	8.75%

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

Particulars	31.03.2018	31.03.2017
Net Profit/(Loss) attributable to equity share holders	1 07 04 757	1 42 92 097
Weighted Average Number of Equity shares	41 63 500 (Face Value of Rs.10/- each)	41 63 500 (Face Value of Rs.10/- each)
Basic Earnings Per Share	2.57	3.43
Weighted Number of equity shares outstanding for Diluted EPS	41 63 500 (Face Value of Rs.10/- each)	41 63 500 (Face Value of Rs.10/- each)
Diluted Earnings Per share	2.57	3.43

**28) Additional Information**

i) Expenditure in Foreign Currency

Particulars	31.03.2018	31.03.2017
Subscription	1 178 710	5 45 227
Travelling	1 488 910	2 83 135

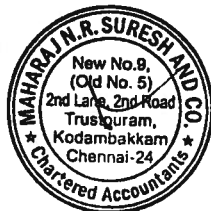
29) Figures for the previous year have been re-grouped wherever necessary, to conform to Current year classification.

Vide our report of date attached

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

*(Signature)*

**K.V.SRINIVASAN**  
Partner  
M.NO: 204368



Place: Mumbai  
Date: 29.05.2018

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

*(Signature)* *(Signature)*  
**C. P. Khandelwal** **Sunil Sarma**  
Director Director