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SYSTEMATIX GROUP

Investments Re-defined

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**39<sup>TH</sup>** ANNUAL  
REPORT  
2023-24

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**STANDALONE**

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**ANNUAL GENERAL MEETING**

Date : September 26, 2024  
Day : Thursday  
Time : 11.00 a.m.



**CORPORATE INFORMATION**
**BOARD OF DIRECTORS**

<b>Mr. Nikhil Khandelwal</b>	- Chairman & Managing Director
<b>Mrs. Anju Khandelwal</b>	- Non-Executive Director
<b>Mrs. Priyanka Khandelwal</b>	- Whole Time Director
<b>Mr. Shriram Surajmal Khandelwal</b>	- Independent Director (Cessation w.e.f. March 31, 2024)
<b>Mr. Sanjay Khandelwal</b>	- Independent Director
<b>Mr. Rakesh Mehta</b>	- Independent Director
<b>Mr. Sampath Kumar Kangeyam Venkatakrishnan</b>	- Independent Director (Appointed w.e.f August 29, 2023)

**CHIEF FINANCIAL OFFICER**

Mr. Anil Bhagchandani

**PRACTISING COMPANY SECRETARY**

**M/s. Kothari H. & Associates,  
Practising Company Secretaries,**  
208, 2nd Floor, BSE Building, Dalal Street,  
Fort, Mumbai -400001

**BANKERS**

Yes Bank Limited  
Axis Bank Limited  
Bank of India

**COMPANY SECRETARY & COMPLIANCE OFFICER**

Ms. Rupal Narvekar (Resigned w.e.f April 21, 2023)  
Mr. Divyesh Badiyani (Appointed w.e.f May 26, 2023)

**AUDITORS**

**M/s. Shah & Taparia, Chartered Accountants**  
203, Center Point Building, 100, Dr. Babasaheb  
Ambedkar Road, Opp. Bharatmata Cinema, Lalbaug,  
Parel, Mumbai – 400 012.

**REGISTRAR & TRANSFER AGENTS**

**CAMEO CORPORATE SERVICES LIMITED**  
Subramanian Building, No. 1, Club House Road,  
Chennai - 600002, Tamilnadu  
Tel No.: 044-40020700  
Online Investor Portal:  
<https://wisdom.cameoindia.com/>  
Web: [www.cameoindia.com](http://www.cameoindia.com)

**REGISTERED OFFICE & CORPORATE OFFICE**
**Registered Office:**

206-207, Bansi Trade Centre, 581/5, M. G. Road, Indore - 452001, Madhya Pradesh

**Corporate Office:**

“The Capital”, ‘A’ Wing, 6th Floor, No. 603-606, Plot No. C-70, ‘G’ Block, Bandra-Kurla Complex,  
Bandra (East), Mumbai - 400051.

Tel.: 022-66198000/40358000 • Fax: 022-66198029 / 40358029  
e-mail: [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in) • Web: [www.systematixgroup.in](http://www.systematixgroup.in)

**CORPORATE IDENTITY NUMBER**

**L91990MP1985PLC002969**

## Profile of Directors & Key Managerial Personnel

### NIKHIL KHANDELWAL - CHAIRMAN & MANAGING DIRECTOR

Mr. Nikhil Khandelwal holds a degree in management studies (MBA) from the ISB, Hyderabad and Bachelor in Engineering (BE) from Manipal Institute of Technology (MIT) and responsible for overseeing the group's expansion in Institutional Broking and Investment Banking Business. Previously worked with IDFC Research, leads the Investment Banking Advisory business of Systematix and has 18 years of rich experience in M&A, Private Equity and Strategic Advisory for a wide variety of industries and clients in India and internationally. Has been instrumental in building Systematix' advisory business into an Industry Focused Cross Border M&A platform – with strong engagements with several mid to large India, US, Japan and Europe based companies. At Systematix, he has been advising large corporates and investors based in India and internationally.

### ANJU KHANDELWAL - DIRECTOR

Mrs. Anju Khandelwal is qualified in the field of MTech. She has experience of more than 17 years as Asst. professor in GSITS, one of the oldest and leading engineering college in Central India. Mrs. Anju Khandelwal is Director of Systematix Corporate Services Limited and in other group Companies. She is actively involved in brokerage business of securities as well as commodities. She is also involved in setting up as sound risk management, surveillance systems & business strategy. She also looks after investor relations of the Company.

### PRIYANKA KHANDELWAL - WHOLE TIME DIRECTOR

Mrs. Priyanka Khandelwal holds a degree in management studies (MBA) in Finance. She is having more than 14 years of experience in financial services industry. Mrs. Priyanka Khandelwal is associated with Systematix Finvest Private Limited and Systematix Fincorp India Limited. She is overseeing and handling progressive risk management systems and strategies, smooth functioning of accounting and operational activities related to NBFCs.

### SHRIRAM SURAJMAL KHANDELWAL - INDEPENDENT DIRECTOR

Mr. Shriram Surajmal Khandelwal is a qualified Chartered Accountant with more than 38 years of experience in the Accounts & Finance profession. He graduated from Rajasthan University in 1972 and is a Fellow Member of the Institute of Chartered Accountant of India (ICAI). He has conducted several Audits and Taxation assignments of various companies. He is associated with us since 2013. He also actively participates in social work and Member of various charitable institutions.

### SANJAY KHANDELWAL - INDEPENDENT DIRECTOR

Mr. Sanjay Khandelwal is a BE in Electronics and Over the years, he has gained vast knowledge in capital markets, project finance. He is director of Kamal Automation Systems Private Limited since 2007.

### RAKESH MEHTA - INDEPENDENT DIRECTOR

Mr. Rakesh Mehta is a qualified Chartered Accountant and Cost Accountant passed with merit having experience of more than 39 years in top Multi-National Companies. He has wide experience in handling commercial functions of big projects. He has worked as Vice President in Reliance group of Companies and commercially handled various projects such as world biggest grass root refinery at Jamnagar, Telecommunication project, Retail Petroleum, Retail and Petro chemical business. He has also taken lead in establishing new concept of shared services in the organisation which facilitated centralised control of various organizational functions.

### SAMPATH KUMAR KANGEYAM VENKATAKRISHNAN - INDEPENDENT DIRECTOR

Mr. Sampath Kumar Kangeyam Venkatakrishnan has 39 years of experience working with Income Tax Department in various capacities and in overlooking assessment and withholding tax assessments of various listed and unlisted companies over the years.

## Profile of Directors & Key Managerial Personnel

### **ANIL BHAGCHANDANI - CHIEF FINANCIAL OFFICER**

Mr. Anil Bhagchandani is a qualified Chartered Accountant with a rich experience of more than 14 years in the field of finance and taxation. He has a good communication skill to deal with other department supervisors as well as executive management and he strongly believes in team work.

### **DIVYESH BADIYANI - COMPANY SECRETARY & COMPLIANCE OFFICER**

Mr. Divyesh Badiyani is an Associate Member of the Institute of Company Secretaries of India, possessing requisite qualification for the position. He has done Bachelor of Commerce and Bachelor of Laws from Mumbai University. He possesses skills in the matters of Corporate Laws, Corporate Governance and allied compliances.

## NOTICE

**NOTICE** is hereby given that the 39<sup>th</sup> Annual General Meeting (AGM) of the Members of **Systematix Corporate Services Limited** will be held on **Thursday, September 26, 2024** at **11.00 a.m.** through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) to transact the following business:-

### **ORDINARY BUSINESS:**

1. To consider and adopt the Standalone and Consolidated Audited Financial Statements of the Company for the financial year ended March 31, 2024, together with the reports of Directors and Auditors thereon.
2. To declare Final Dividend of Rs. 1/- (Rupees One Only) (10%) per Equity Share of Rs. 10/- (face value) each for the financial year ended March 31, 2024.
3. To appoint a director in place of **Mrs. Anju Khandelwal (DIN: 00474604)** who retires by rotation and being eligible, offers herself for re-appointment.

### **SPECIAL BUSINESS:**

4. **To appoint Mr. Ramanathan Ganesh (DIN: 00016260) as an Independent Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications, amendments or re-enactment thereof, for the time being in force), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘the Listing Regulations’), and the Articles of Association of the Company, Mr. Ramanathan Ganesh (DIN : 00016260), who was appointed by the Board of Directors of the Company, as an Additional Non–Executive Independent Director with effect from August 09, 2024 and whose appointment as an Independent Director is recommended by the Nomination and Remuneration Committee of the Directors and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Act and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act read with Regulation 16(1)(b) of the Listing Regulations, be and is hereby appointed as an Independent Director of the Company, for a period of five years commencing from August 09, 2024 to August 08, 2029 and that Mr. Ramanathan Ganesh shall not be liable to retire by rotation.”

5. **To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013.**

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

**“RESOLVED THAT** in supersession of earlier resolution and pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications, amendments or re-enactments thereto for the time being in force) and subject to all such consents, sanctions and approvals as may be necessary in that regards, the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall include any committee constituted / to be constituted by the Board for exercising the powers conferred on the Board by this resolution) be and is hereby authorised to invest in one or more tranches by way of subscription, purchase, conversion or otherwise in the equity shares, preference shares or other securities of any other body corporate or units of mutual funds at par or at premium or at discount; and / or give any loan to any person or other body corporate from time to time; and / or give any guarantee or provide security in connection with a loan to any other body corporate or person from time to time, upto an aggregate amount not exceeding Rs. 300 Crores, notwithstanding of the fact that aggregate amount of all investments so far made and /or loans so far given and / or guarantees so far given and / or securities so far provided together with the proposed investments, loans, guarantees and securities will exceed sixty percent of the aggregate of paid-up share capital, free reserves and securities premium account of the Company or one hundred percent of free reserves and securities premium account of the Company, whichever is higher.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to determine the manner and amount of investments, loans, guarantees and securities within the above mentioned limits.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors of the Company and / or Committee of Directors constituted for this purpose be and is hereby authorised to take all such actions and to give all such directions as may be necessary or desirable and also settle any question or difficulty that may arise in regard to the proposed investments, loans, guarantees and securities and further to do all such acts, deeds, matters

and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith.”

## **6. To adopt new set of the Memorandum of Association of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 4, 13 and 15 and all other applicable provisions of the Companies Act, 2013 (“the Act”) read with Companies (Incorporation) Rules, 2014 (including any modification thereto or re-enactment thereof for the time being in force) and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the Table A of the Schedule I of the Act, and subject to such other necessary statutory approvals and modifications if any the approval of the members of the Company be and is hereby accorded to adopt new set of Memorandum of Association (“MOA”) of the Company, as per the format specified in the Companies Act, 2013.

**RESOLVED FURTHER THAT** in the clause “3(b). Matters which are necessary for furtherance of the objects specified in clause 3(a) are” after the existing sub-clauses 3 to 27 the following new sub clauses will be added.

28. To carry on the business of financiers, financial agents, brokers, stock and share brokers or underwritings and to undertake and carry on and execute all kinds of financial operations in connection with the main business of the Company and the undertaking but the Company shall not carry on the banking business within the meaning of Banking Regulations Act, 1949.
29. To purchase, hold take on lease or exchange, take on mortgage and give on mortgage, hire or otherwise acquire and hold or deal in any movable or immovable property including lands, buildings, houses, flats, bungalows, shops, offices, godowns, patents, license and any rights, interests and privileges therein and to develop and turn them to account or let them out on rent.
30. To carry on Business as a proprietors or otherwise as flats and buildings to let on lease or otherwise apartments therein and to provide for conveniences commonly provided in flats, suits and residential and business quarters.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as the Board, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this resolution), be and is hereby authorized to take all such actions as may be necessary, desirable or expedient and to do all such necessary acts, deeds and things that may be incidental or pertinent to give effect to the aforesaid resolution.”

## **7. To approve Sub-Division / Split of Equity Shares of the Company.**

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

**“RESOLVED THAT** pursuant to provisions of Section 61 and all other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force) and the provisions of the Memorandum and Articles of Association of the Company and subject to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 referred to as ‘Listing Regulations’ and other approvals, consents, permissions and sanctions as may be necessary from the appropriate statutory authority(ies) and based on the recommendation of the Board, approval of the members of the Company be and is hereby accorded for sub-division of 1 (One) Equity Share of the Company having a face value of Rs. 10/- (Rupees Ten only) each fully paid up into 10 (Ten) Equity Shares having a face value of Rs.1/- (Rupee One only) each fully paid up on such date as may be fixed by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred by the Board) for this purpose (hereinafter referred to as “Record Date”);

**RESOLVED FURTHER THAT** pursuant to sub-division of equity shares of the Company, the Authorised, Issued, Subscribed and Paid-up Equity Share Capital of 1 (One) Equity Share of face value of Rs. 10/- (Rupees Ten only) each fully paid-up shall stand sub-divided into 10 (One) Equity Shares of face value of Rs. 1/- (Rupee One Only) each fully paid-up as existing on the Record Date and shall rank pari-passu in all respects with each other and carry the same rights as to the existing fully paid-up equity share of Rs.10/- (Rupees Ten only) each of the Company;



**RESOLVED FURTHER THAT** the approval of the members of the Company is hereby accorded to alter the existing Clause V of the Memorandum of Association of the Company relating to Capital by substituting with the following Clause V:

“5. The Authorised Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crore) divided into 20,00,00,000/- (Twenty Crore) Equity Shares of Rs. 1/- (Rupees One) each and 3,00,00,000 (Three Crore) Preference Shares of Rs. 10/- (Rupees Ten) each.”

**RESOLVED FURTHER THAT** upon the sub-division of the Equity Shares as aforesaid, the existing share certificate(s) in relation to the existing equity shares having face value of Rs. 10/- each (Rupees Ten Only) held in the physical form, if any, shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date (as determined by the Board of Directors of the Company) and the Company may, without requiring the surrender of the existing share certificate(s), issue and dispatch the new share certificate(s) of the Company in lieu of such existing share certificate(s) subject to the provisions of the Companies (Share Capital and Debentures) Rules, 2014 amended from time to time and in the case of equity shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Members with the depository participants, in lieu of the existing credits representing the equity shares of the Company before sub-division and the Company shall undertake such Corporate Action(s) as may be necessary in relation to the existing equity shares;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board / Committee of the Board or any officer(s) authorized by the Board of Directors, be and are hereby authorized to do all such acts, deeds, matters and things whatsoever, including seeking all necessary approvals to give effect to this Resolution and to settle any questions, difficulties or doubts that may arise in this regard.”

**8. To approve an increase in the overall managerial remuneration of Mr. Nikhil Khandelwal, Managing Director of the Company.**

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

“**RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 (the “Act”) along with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Act and the Rules framed there-under (including any statutory amendments, modifications or re-enactments thereof) and such other consents and permission as may be necessary and based on the recommendation of the nomination and remuneration committee and the Board, approval of the members of the Company be and is hereby accorded to increase the overall Managerial Remuneration payable to Mr. Nikhil Khandelwal, Managing Director of the Company for his remaining term w.e.f. April 1, 2024, which shall not exceed the limits stated hereunder:

Particulars	Remuneration
Salary Range	Rs. 30,00,000/- to Rs. 60,00,000/- p.a. (Excluding others allowances)
Performance Bonus	Not exceeding 100% of Salary, payable annually for each financial year, as may be determined by the Board.
Special Allowance	As may be decided by the Board from time to time other than Provident Fund, Gratuity etc.
Provident Fund, Gratuity, Earned Leave	As per the Rules and Regulations of the Company.
Leave Travel Concession	Subject to maximum of once in a year, in India.
Reimbursement of Expenses	He shall also be entitled to reimbursement of all actual expenses or charges, including travel, entertainment and other out-of-pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.

**RESOLVED FURTHER THAT** in the event of absence and inadequacy of profits in the financial year, the Company will pay remuneration by way of salary including perquisites and allowances as specified under Section II Part II of Schedule V to the Companies Act, 2013 or in accordance with any statutory modification(s) thereof.

**RESOLVED FURTHER THAT** all the existing terms and conditions of his appointment existing presently shall remain in force except the revised remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby severally authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”



**9. To approve an increase in the overall managerial remuneration of Mrs. Priyanka Khandelwal, Wholetime Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 196, 197 and 198 of the Companies Act, 2013 (the “Act”) along with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable provisions, if any, of the Act and the Rules framed there-under (including any statutory amendments, modifications or re-enactments thereof) and such other consents and permission as may be necessary and based on the recommendation of the nomination and remuneration committee and the Board, approval of the members of the Company be and is hereby accorded to increase the overall Managerial Remuneration payable to Mrs. Priyanka Khandelwal, Whole-time Director of the Company for a period of 3 years w.e.f. April 1, 2024, which shall not exceed the limits stated hereunder:

Particulars	Remuneration
Salary Range	Rs. 12,00,000/- to Rs. 25,00,000/- p.a. (Excluding others allowances)
Performance Bonus	Not exceeding 100% of Salary, payable annually for each financial year, as may be determined by the Board.
Special Allowance	As may be decided by the Board from time to time other than Provident Fund, Gratuity etc.
Provident Fund, Gratuity, Earned Leave	As per the Rules and Regulations of the Company.
Leave Travel Concession	Subject to maximum of once in a year, in India.
Reimbursement of Expenses	He shall also be entitled to reimbursement of all actual expenses or charges, including travel, entertainment and other out-of-pocket expenses incurred by him for and on behalf of the Company, in furtherance of its business and objects.

**RESOLVED FURTHER THAT** in the event of absence and inadequacy of profits in the financial year, the Company will pay remuneration by way of salary including perquisites and allowances as specified under Section II Part II of Schedule V to the Companies Act, 2013 or in accordance with any statutory modification(s) thereof.

**RESOLVED FURTHER THAT** all the existing terms and conditions of his appointment existing presently shall remain in force except the revised remuneration.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby severally authorized to do all such acts, deeds and matters and things as in its absolute discretion it may consider necessary, expedient and desirable to give effect to this resolution.”

**By Order of the Board**  
**Systematix Corporate Services Limited**

**Divyesh Bharat Badiyani**  
**Company Secretary & Compliance Officer**

**Date: 09.08.2024**

**Place: Mumbai**

**Corporate Office Address:**

The Capital, “A” Wing, 6th Floor, No. 603-606,  
Plot No. C-70, G-Block,  
Bandra kurla Complex,  
Bandra (E), Mumbai-400051

**CIN:** L91990MP1985PLC002969

**Tel No:** 022 - 66198000 / 022 - 40358000

**Email id:** [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in)

**Website:** <https://www.systematixgroup.in/>

**NOTES:**

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("Act"), relating to the Item Nos. 4 to 9 to be transacted at the AGM is annexed hereto as **Annexure - I**.
2. The Ministry of Corporate Affairs ("MCA") vide its Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, Circular No. 19/2021 dated December 08, 2021, Circular No. 21/2021 dated December 14, 2021, Circular No. 2/2022 dated May 05, 2022, Circular No. 10/2022 dated December 28, 2022 and Circular No. 09/2023 dated September 25, 2023 ("MCA Circulars") and the Securities and Exchange Board of India ("SEBI") vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/DDHS/P/CIR/2022/0063 dated May 13, 2022, Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 07, 2023 ("SEBI Circulars") permitted the holding of the AGM through VC/OAVM, without physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ('the Act'), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the MCA Circulars and the SEBI Circulars, the 39th AGM of the Company is being held through VC/OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM.
3. For this purpose, necessary arrangements have been made by your Company with Central Depository Services (India) Limited ("CDSL") and instructions for the process to be followed for attending and participating in the ensuing AGM through VC/ OAVM is forming part of this Notice.
4. Since the AGM is being held pursuant to MCA Circulars through VC/ OAVM, the requirement of physical attendance of Members has been dispensed with. Accordingly, in terms of the MCA Circulars and the SEBI Circulars, the facility for appointment of proxies by the members will not be available for this AGM. Hence, proxy forms, attendance slips and route map for venue of the AGM are not annexed to this Notice.
5. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations and MCA Circulars, your Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, your Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. Members who have cast their votes by remote e-voting prior to the General Meeting may participate in the General Meeting but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses is provided in the Instructions for e-Voting section which forms part of this Notice.
6. The Members holding shares in your Company as on Thursday, September 19, 2024, may join the AGM through VC/ OAVM Facility 15 minutes before the time scheduled to start the AGM i.e. from 10.45 p.m. (IST) and till the time of conclusion of the AGM, by following the procedure as mentioned in the Notice.
7. Any person, who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice and is holding shares as of the cut-off date, i.e., Thursday, September 19, 2024 may join the AGM through VC/ OAVM & can cast their votes using remote e-voting as well as the e-voting system on the date of the AGM by following the procedure as mentioned in the Notice.
8. Pursuant to Section 113 of the Act, representatives of Corporate Members may be appointed for the purpose of voting through Remote e-Voting or for participation and e-Voting during the AGM to be conducted through VC/ OAVM. Corporate Members intending to attend the AGM through their authorised representatives are requested to send a Certified True Copy of the Board Resolution (PDF/ JPG Format), authorizing its representative to attend and vote on their behalf at the AGM. The said Resolution/ Authorisation shall be sent to the Company by e-mail through its registered e-mail address at [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
9. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
10. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

11. In compliance with the MCA and SEBI Circulars, this Notice of the AGM along with the Annual Report for financial year ended March 31, 2024 is being sent only through electronic mode to those Members whose name appear in the Register of Members/ Beneficial Owners maintained by the Company/ Depositories as on benpos date i.e. Friday, August 23, 2024 and whose e-mail addresses are registered with the Company/ Depositories for communication purpose, unless any Member has requested for a physical copy of the same. The Notice and the Annual Report calling the AGM has been uploaded on the website of the Company at [www.systematixgroup.in](http://www.systematixgroup.in). The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and the Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com).
12. The Register of members and share transfer books of the Company will remain closed from Friday, September 20 2024 to Thursday, September 26, 2024 (both days inclusive) for the purpose of AGM and determining the names of members eligible for dividend on equity shares for the Financial Year 2023-24, if approved.
13. To support the 'Green Initiative', members who have not registered their e-mail addresses so far are requested to register their e-mail address with their Depository participants (DPs), in case the shares are held by them in electronic form/ Demat form and with Cameo Corporate Services Limited in case the shares are held by them in physical form for receiving all communication(s) including Annual Report, Notices, Circulars, etc. from the Company electronically. Alternatively, members holding shares in physical form are requested to visit <https://wisdom.cameoindia.com> to register their e-mail address and mobile number with the Company.
14. Process for registration of e-mail id for obtaining Annual Report in electronic mode and User ID/ password for e-Voting is annexed to this Notice.
15. All the correspondence pertaining to shareholding, transfer of shares, transmission etc. should be lodged at the Company's RTA: CAMEO CORPORATE SERVICES LIMITED, Subramanian Building, No.1, Club House Road, Chennai – 600002, Tamilnadu Tel No.: 044-40020700, E-mail: [investor@cameoindia.com](mailto:investor@cameoindia.com)
16. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary at [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in). Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account will be transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.
17. Final Dividend of 1/- per equity share as recommended by the Board of Directors for the year ended March 31, 2024, if approved at the AGM, will be payable, to those Members of the Company who hold shares:
  - i. In dematerialised ('demat') mode, based on the beneficial ownership details to be received from National Securities Depository Limited ('NSDL') and Central Depository Services (India) Limited ('CDSL') as at the close of business hours on September 19, 2024.
  - ii. In physical mode, if their names appear in the Company's Register of Members as on September 19, 2024.
18. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of Members w.e.f. April 1, 2020 and the Company is required to deduct tax at source at time of paying dividend to the Members at the prescribed rates. For the prescribed rates for various categories, please refer to Income Tax Act, 1961 and the Finance Act, 2020, of the respective years. A Resident Individual Member with PAN and who is not liable to pay income tax can avail the benefit of non-deduction of tax at source by submitting a duly completed and signed yearly declaration in Form No. 15G/15H as maybe applicable, with the Company by sending email to the Company's email address at [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in) or with RTA at [investor@cameoindia.com](mailto:investor@cameoindia.com) / [agm@cameoindia.com](mailto:agm@cameoindia.com) or by uploading the Form on <https://investors.cameoindia.com> by Friday, September 13, 2024, 6:00 p.m. (IST). Members are requested to note that if the PAN is not correct/ invalid/inoperative or have not filed their income tax returns, then tax will be deducted at higher rates prescribed under Sections 206AA or 206AB of the Income tax Act, as applicable and in case of invalid PAN, they will not be able to get credit of TDS from the Income Tax Department. No communication/documents on the tax determination/deduction shall be considered after, Friday, September 13, 2024, 6:00 p.m. (IST).
19. Members holding shares in demat mode may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividend in accordance with the mandate of SEBI. The Company or its RTA cannot act on any request received directly from the Members holding shares in electronic form for any change of bank particulars or bank mandates. The Members may, therefore, give instructions regarding bank accounts in which they wish to receive dividend to their Depository Participant ('DP') only.
20. SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA.

21. Members can avail the facility of nomination in respect of the Equity Shares held by them in physical form pursuant to the provisions of Section 72 of the Act read with the rules made thereunder. Members desiring to avail this facility may send their nomination in Form SH-13 duly filled in to the RTA of the Company. Further, Members desirous of cancelling/ varying nomination pursuant to the provisions of the Act are requested to send their requests in Form ISR-3 or SH-14 to RTA of the Company. These forms will be made available on request.
22. SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD-1/P/ CIR/2024/37 dated May 7, 2024, requires:
  - a. all members holding shares in physical form to furnish PAN, choice of nomination, contact details including postal address with PIN and mobile number, bank account details and specimen signature ('KYC and Nomination') before getting any investor service request processed. Any payments including dividend in respect of such folios shall only be made electronically with effect from April 1, 2024 upon registering the required details. Accordingly, Members are requested to submit the signed Form ISR-1 along with supporting documents to RTA of the Company;
  - b. the listed companies to issue securities in dematerialized form only while processing service requests pertaining to issue of duplicate securities certificate; replacement/ renewal/exchange of securities certificate; consolidation of securities certificates/ folios; sub-division/splitting of securities certificate; endorsement; change in the name of the holder; claim from unclaimed suspense account and suspense escrow demat account; transposition and transmission. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR-4 to RTA of the Company;
23. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into dematerialised form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been disallowed by SEBI.
24. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DPs and holdings should be verified from time to time.
25. SEBI, vide its various circulars, has specified that a shareholder shall first take up his/her/their grievance with the Company by lodging a complaint directly with the Company and if the grievance is not redressed satisfactorily, the shareholder may, in accordance with the SCORES guidelines, escalate the same through the SCORES Portal in accordance with the process laid out therein. Only after exhausting all available options for resolution of the grievance, if the shareholder is not satisfied with the outcome, he/she/ they can initiate dispute resolution through the Online Dispute Resolution ("ODR") Portal. Shareholders are requested to take note of the same
26. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.
27. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. September 27, 2023. Members seeking to inspect such documents can send an email to Company Secretary at [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in).

#### **VOTING RESULTS**

1. M/s. Kothari H. & Associates, Practising Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote e-voting process and the voting during the AGM in a fair and transparent manner.
2. The scrutinizer shall, after conclusion of the AGM, electronically submit the consolidated scrutinizer report i.e., (vote caste through remote e-voting and e-voting during AGM) of the total vote caste in favour or against the resolution and invalid vote, to the Chairman of the AGM or to any other person authorized by the Chairman of the Company.
3. Based on the scrutinizer's report, the Company will submit within two working days of the conclusion of the AGM, to the stocks exchanges, details of the voting results as required under Regulation 44(3) of the Listing Regulations.
4. The results declared along with the scrutinizer's report will be placed on the website of the Company at [www.systematixgroup.in](http://www.systematixgroup.in) and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).

**THE INTRUCTIONS FOR E-VOTING AND JOINING VIRTUAL AGM ARE AS UNDER:**

1. The voting period begins on Monday, September 23, 2024 at 9.00 a.m. and ends on Wednesday, September 25, 2024 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 19, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

4. In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**IN CASE OF INDIVIDUAL SHAREHOLDERS HOLDING SHARES IN DEMAT MODE.**

In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by Company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS” Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login Type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**IN CASE OF SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE AND NON-INDIVIDUAL SHAREHOLDERS IN DEMAT MODE.**

- (i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) 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 e-voting of any Company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For physical shareholders and other than individual shareholders holding shares in Demat.</b>
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>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (iv) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) 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.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) 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.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xi) 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.
- (xii) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xiii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - 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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING AGM ARE AS UNDER:**

1. The procedure for attending AGM & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend a will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM
4. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
5. Shareholders are encouraged to join the AGM through Laptops / IPads for better experience.
6. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the AGM.
7. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
8. Shareholders who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request in advance atleast **3 days prior to AGM** mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in). The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to AGM** mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in). These queries will be replied to by the Company suitably by email.
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM.
10. If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the AGM through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the AGM is available.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in) / RTA at [agm@cameoindia.com](mailto:agm@cameoindia.com)
2. For Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP)

3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on toll free no. 1800 22 55 33.

## **EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

### **ITEM NO. 4**

#### **To appoint Mr. Ramanathan Ganesh (DIN: 00016260) as an Independent Director of the Company.**

Pursuant to the resolution passed by the Board of Directors on August 09, 2024, on the recommendation of the Nomination & Remuneration Committee ("NRC") of Directors and subject to the approval of the members, Mr. Ramanathan Ganesh was appointed as an Additional Non-Executive Independent Director of the Company w.e.f. August 09, 2024 and holds office till the ensuing Annual General Meeting.

The Company has received declarations from Mr. Ramanathan Ganesh confirming that he meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"). He has also confirmed that he has registered himself in the database for Independent Directors.

In the opinion of the NRC & Board, the Independent Director, proposed to be appointed, fulfills the conditions specified in the Companies Act, 2013 and rules made thereunder and the Listing Regulations for his appointment as an Independent Director of the Company and is independent of the management.

Brief Resume of the Independent Director as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India is provided separately in this Notice. A copy of the draft Letter of Appointment of Independent Director, setting out the terms and conditions of appointment is being made available for inspection by the Members through electronic mode.

Pursuant to the provisions of Section 149 of the Act, read with Schedule IV thereto and Regulation 17(1C) and 25(2A) of the Listing Regulations, the appointment of Independent Directors requires approval of the Members by way of a special resolution.

Accordingly, the Board of Directors recommends the resolution at Item No. 4 for approval of the Members by way of a Special Resolution.

Mr. Ramanathan Ganesh may be regarded as concerned or interested in the resolution in respect of his own appointment. None of the other Directors and Key Managerial Personnel of the Company, or their relatives are interested in this Resolution.

### **ITEM NO. 5**

#### **To make investments, give loans, guarantees and security in excess of limits specified under section 186 of the Companies Act, 2013.**

Pursuant to the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of the Company can make investments in any other body corporate, give loans, guarantees and security to any person, in aggregate not exceeding sixty percent of the aggregate of the paid-up capital, free reserve and securities premium account of the Company or one hundred percent of free reserves and securities premium account of the Company, whichever is higher. Investments, loans, guarantees and securities in excess of the said limits require prior approval of members by way of a Special Resolution.

Keeping in view the future plans of the Company and to fulfil long term strategic and business objectives and as a measure of achieving greater financial flexibility and to enable optimal financing structure, the Board of Directors in its meeting held on August 09, 2024 has, subject to the approval of shareholders of the Company, proposed and approved setting up limit

upto an aggregate amount of Rs. 300 Crores and to give powers to the Board of Directors or any duly constituted committee thereof to that effect under Section 186 of the Companies Act, 2013.

The investments, loans, guarantees and securities, as the case may be, shall be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

The Board of Directors recommends the resolution at Item No. 5 for approval of the Members by way of a Special Resolution.

None of the directors or Key Managerial Personnel or any of their relatives is in any way concerned or interested in the resolution except to the extent investments may be made in the concerns in which they are interested or loans and guarantees given to them or concerns in which they are interested or securities provided to them or concerns in which they are interested, subject to provisions of Section 185 of the Companies Act, 2013.

#### **ITEM NO. 6**

##### **To adopt new set of the Memorandum of Association of the Company.**

The existing Memorandum of Association ("MOA") of the Company is based on the erstwhile Companies Act, 1956 and not only do several regulations of the existing MOA contains references to the specific sections of the Companies Act, 1956, but also some regulations are no longer in conformity with the Act. Hence, the adoption of MOA is necessary to bring the MOA in line with the new Companies Act, 2013 (the "new Act").

The Board of Directors in its meeting held on August 9, 2024 proposed to adopt the new set of the MOA of the Company and to add in the clause "3(b). Matters which are necessary for furtherance of the objects specified in clause 3(a) are" after the existing sub-clauses 3 to 27 the following new sub clauses, subject to the approval of members.

28. To carry on the business of financiers, financial agents, brokers, stock and share brokers or underwritings and to undertake and carry on and execute all kinds of financial operations in connection with the main business of the Company and the undertaking but the Company shall not carry on the banking business within the meaning of Banking Regulations Act, 1949.
29. To purchase, hold take on lease or exchange, take on mortgage and give on mortgage, hire or otherwise acquire and hold or deal in any movable or immovable property including lands, buildings, houses, flats, bungalows, shops, offices, godowns, patents, license and any rights, interests and privileges therein and to develop and turn them to account or let them out on rent.
30. To carry on Business as a proprietors or otherwise as flats and buildings to let on lease or otherwise apartments therein and to provide for conveniences commonly provided in flats, suits and residential and business quarters of the Company subject to the approval of the members.

Members are requested to note that there is no change in the main object clause of the Company.

A copy of the proposed set of new MOA of the Company would be available for public inspection at the registered office of the Company and on the Company's website for electronic inspection up to the date of the Annual General Meeting ("AGM"). In terms of Section 4 and 13 of the Act, the consent of the Members by way of Special Resolution is required for adoption of new set of MOA of the Company and for addition of new sub-clauses in the clause 3(b).

The Board of Directors recommends the resolution at Item No. 6 for approval of the Members by way of a Special Resolution.

None of the other Directors and Key Managerial Personnel of the Company, or their relatives, are in any way concerned or interested (financial or otherwise), is interested in this Resolution

#### **ITEM NO. 7**

##### **To approve Sub-Division / Split of Equity Shares of the Company.**

In order to improve the liquidity of Company's Share and to make it more affordable for small investors and also to broad base of small investors, the Board of directors of the Company in their meeting held on August 09, 2024 recommended to sub-divide (split) Company's 1(One) Equity share of face value of Rs. 10/- (Rupees Ten Only) each into 10 (Ten) Equity Shares of Face Value of Re. 1/- (Rupees One Only) each subject to the approval of members.

The Record date for the aforesaid sub-division/split of the equity shares shall be fixed by the Board of Directors.

Upon approval of shareholder for the sub-division/split of equity shares, in case the equity shares are held in physical form, the old share certificates of face value of Rs. 10/- each will stand cancelled on the record date and the new share certificate(s) of nominal value of Rs. 1/- each, fully paid up, will be dispatched to the shareholders, in case the equity shares are in dematerialised form, the sub-divided equity shares will be directly credited to the shareholder's demat account on record date, in lieu of their existing equity shares.

Pursuant to the provisions of Section 13, 14 and 61 of the Companies Act, 2013 approval of the Members is required for sub-division/split of equity shares and consequent amendment to Clause V of the Memorandum of Association of the Company.

Accordingly, the resolutions set out at Item No. 7 seek approval of the Members for the proposed subdivision/split of face value of the Equity Shares and the consequent amendments to the existing Clause V of the Memorandum of Association of the Company.

The Board of Directors is of the opinion that the aforesaid sub-division of the face value of Equity Shares, is in the best interest of the Company and hence recommends passing of the resolutions set out at Item No. 7 as Ordinary Resolution.

None of the Directors / Key Managerial Personnel of the Company or their relatives are concerned or interested in the resolution except to the extent of their shareholding in the Company, if any.

#### **ITEM NO. 8**

##### **To approve an increase in the overall managerial remuneration of Mr. Nikhil Khandelwal, Managing Director of the Company.**

Mr. Nikhil Khandelwal holds a degree in management studies (MBA) from the ISB, Hyderabad and Bachelor in Engineering (BE) from Manipal Institute of Technology (MIT) and responsible for overseeing the group's expansion in Institutional Broking and Investment Banking Business. Previously worked with IDFC Research, leads the Investment Banking Advisory business of Systematix and has 18 years of rich experience in M&A, Private Equity and Strategic Advisory for a wide variety of industries and clients in India and internationally. Has been instrumental in building Systematix's advisory business into an Industry Focused Cross Border M&A platform – with strong engagements with several mid to large India, US, Japan and Europe based Companies. At Systematix, he has been advising large corporates and investors based in India and internationally.

Mr. Nikhil Khandelwal was appointed as Managing Director of the Company for the period of 5 years commencing from September 01, 2021 to August 31, 2026, at a remuneration of Rs. 20,00,000/- p.a. Thereafter the remuneration payable to Mr. Nikhil Khandelwal was increased from Rs. 20,00,000/- p.a. to Rs. 30,00,000/- p.a. Based on the annual review of his performance and outstanding achievements and contribution made by him, it is proposed to increase his remuneration from Rs. 30,00,000/- p.a. to Rs. 60,00,000/- p.a.

The Board of Directors recommends the resolution at Item No. 8 for approval of the Members by way of an Ordinary Resolution.

Mr. Nikhil Khandelwal, Mrs. Priyanka Khandelwal and Mrs. Anju Khandelwal being relatives of each other, may be regarded as concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 6 of the Notice. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Resolutions.

#### **ITEM NO. 9**

##### **To approve an increase in the overall managerial remuneration of Mrs. Priyanka Khandelwal, Wholetime Director of the Company.**

Mrs. Priyanka Khandelwal holds a degree in management studies (MBA) in Finance. She is having more than 14 years of experience in financial services industry. Mrs. Priyanka Khandelwal is associated with Systematix Finvest Private Limited and Systematix Fincorp India Limited. She is overseeing and handling progressive risk management systems and strategies, smooth functioning of accounting and operational activities related to NBFCs.

Mrs. Priyanka Khandelwal was appointed as Wholetime Director of the Company for the period of 5 years commencing from August 12, 2022 to August 11, 2027, at a remuneration of Rs. 12,00,000/- p.a. Based on the annual review of her performance and outstanding achievements and contribution made by her, it is proposed to increase her remuneration from Rs. 12,00,000/- to Rs. 25,00,000/- per annum.

The Board of Directors recommends the resolution at Item No. 9 for approval of the Members by way of an Ordinary Resolution.

Mrs. Priyanka Khandelwal, Mr. Nikhil Khandelwal and Mrs. Anju Khandelwal being relatives of each other, may be regarded as concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 7 of the Notice. None of the other Directors and Key Managerial Personnel of the Company, or their relatives, is interested in these Resolutions.

**By Order of the Board**  
**Systematix Corporate Services Limited**

**Divyesh Bharat Badiyani**  
**Company Secretary & Compliance Officer**

**Date: 09.08.2024**

**Place: Mumbai**

**Corporate Office Address:**

The Capital, "A" Wing, 6th Floor, No. 603-606,  
Plot No. C-70, G-Block,  
Bandra kurla Complex,  
Bandra (E), Mumbai-400051

**CIN:** L91990MP1985PLC002969

**Tel No:** 022 - 66198000 / 022 - 40358000

**Email id:** [secretarial@systematixgroup.in](mailto:secretarial@systematixgroup.in)

**Website:** <https://www.systematixgroup.in/>

**Details of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting (as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) and as per clause 1.2.5 of Secretarial Standard on General Meetings (SS-2).**

Sr. No.	Name of the Director	Mrs. Anju Khandelwal	Mr. Ramanathan Ganesh
1.	Date of Birth	11/08/1966	01/12/1956
2.	Age	58 years	67 years
3.	Date of Appointment	20/01/2003	09/08/2024
4.	Permanent Account Number (PAN)	ABDPA0470E	ACKPR5277J
5.	Director Identification Number (DIN)	00474604	00016260
6.	Qualifications	Mtech	ICWAI & LLB
7.	Brief resume including profile, experience and expertise in specific functional areas	Mrs. Anju Khandelwal is qualified in the field of MTech. She has experience of more than 17 years as Asst. professor in GSITS, one of the oldest and leading engineering college in Central India. Mrs. Anju Khandelwal is Director of Systematix Corporate Services Limited and in other group Companies. She is actively involved in brokerage business of securities as well as commodities. She is also involved in setting up as sound risk management, surveillance systems & business strategy. She also looks after investor relations of the Company.	Mr. Ramanathan Ganesh is graduated in B.A. (Economics) and did ICWAI & LLB, along with various certification courses in Capital Markets and Financial Management. He possess the capabilities required as per description of the role and capabilities of an Independent Director prepared on the basis of the evaluation of balance of skills, knowledge and experience on the Board of the Company.
8.	The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	N.A.	Mr. Ramanathan Ganesh has skills and knowledge across different sectors of Finance, Investment Banking and Merchant Banking, which will help the Company to grow its business in future.
9.	Shareholding in the Company, including shareholding as a beneficial owner	50,803 Equity Shares	Nil
10.	List of other directorships (excluding Foreign Company)	As per Annexure - I	Director in Grow Wealth Consultants Private Limited with effect from October 5, 2009
11.	Resignation from listed entities in the past three years	N.A.	N.A.
12.	Membership / Chairmanship of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	N.A.	N.A.
13.	Relationships, if any, between Directors, Manager & KMP inter se	Mother of Mr. Nikhil Khandelwal and Mother-in-law of Mrs. Priyanka Khandelwal	No relationship between Directors, Manager & KMP inter se.
14.	Terms & Conditions of re-appointment	Non-executive Director liable to retire by rotation	To be appointed as Non-Executive Independent Director not liable to retire by rotation for a period of 5 years w.e.f August 9, 2024.

Sr. No.	Name of the Director	Mrs. Anju Khandelwal	Mr. Ramanathan Ganesh
15.	Remuneration last drawn	Sitting fees of Rs. 2,40,000/- p.a.	Nil
16.	Remuneration sought to be paid	Sitting Fees as approved by Board from time to time.	Sitting Fees as approved by Board from time to time.
17.	No. of Board Meetings attended during the financial year 2023-24	4 (Four)	Not Applicable

Sr. No.	Name of the Director	Mr. Nikhil Khandelwal	Mrs. Priyanka Khandelwal
1.	Date of Birth	12/12/1984	02/05/1985
2.	Age	39 years	39 years
3.	Date of Appointment	13/08/2018	12/08/2022
4.	Permanent Account Number (PAN)	ARPPK3859H	AMNPK1265E
5.	Director Identification Number (DIN)	00016387	01878267
6.	Qualifications	BE, MBA	MBA in Finance
7.	Brief resume including profile, experience and expertise in specific functional areas	Mr. Nikhil Khandelwal holds a degree in management studies (MBA) from the ISB, Hyderabad and Bachelor in Engineering (BE) from Manipal Institute of Technology (MIT) and responsible for overseeing the group's expansion in Institutional Broking and Investment Banking Business. Previously worked with IDFC Research, leads the Investment Banking Advisory business of Systematix and has 18 years of rich experience in M&A, Private Equity and Strategic Advisory for a wide variety of industries and clients in India and internationally. Has been instrumental in building Systematix's advisory business into an Industry Focused Cross Border M&A platform – with strong engagements with several mid to large India, US, Japan and Europe based companies. At Systematix, he has been advising large corporates and investors based in India and internationally.	Mrs. Priyanka Khandelwal holds a degree in management studies (MBA) in Finance. She is having more than 14 years of experience in financial services industry. Mrs. Priyanka Khandelwal is associated with Systematix Finvest Private Limited and Systematix Fincorp India Limited. She is overseeing and handling progressive risk management systems and strategies, smooth functioning of accounting and operational activities related to NBFCs.
8.	The skills and capabilities required for the role and the manner in which the proposed person meets such requirements	N.A.	N.A.
9.	Shareholding in the Company, Including shareholding as a beneficial owner	4,18,566 Equity Shares	1000 Equity Shares
10.	List of other directorships (excluding Foreign Company)	As per Annexure II	As per Annexure III
11.	Resignation from listed entities in the past three years	N.A.	N.A.



Sr. No.	Name of the Director	Mr. Nikhil Khandelwal	Mrs. Priyanka Khandelwal
12.	Membership/ Chairmanship of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	N.A.	N.A.
13.	Relationships, if any, between Directors, Manager & KMP inter se	Son of Mrs. Anju Khandelwal and Husband of Mrs. Priyanka Khandelwal	Wife of Mr. Nikhil Khandelwal and Daughter-in-law of Mrs. Anju Khandelwal
14.	Terms & Conditions of re-appointment	Executive Director liable to retire by rotation	Executive Director liable to retire by rotation
15.	Remuneration last drawn	Rs. 30,00,000/- p.a.	Rs. 12,00,000/- p.a.
16.	Remuneration sought to be paid	Rs. 30,00,000/- p.a. to Rs. 60,00,000 p.a. (Excluding other allowances)	Rs. 12,00,000/- p.a. to Rs. 25,00,000/- p.a. (Excluding other allowances)
17.	No. of Board Meetings attended during the financial year 2023-24	4 (Four)	4 (Four)

**Annexure – I**

Sl. No.	Names of the Companies /bodies corporate/ firms/ association of individuals	Nature of interest or concern / Change in interest or concern	Date on which interest or concern arose / changed
1.	Systematix Shares and Stocks (India) Limited	Director	13-05-2000
2.	Shiv Shakti Real Estate Private Limited	Director	30-05-2003
3.	Thirdwave Mercantile Company Private Limited	Director	12-03-2004
4.	Goldflag Exports Private Limited	Director	22-12-2004
5.	Topcity Trading Company Private Limited	Director	04-01-2005
6.	Magicline Trading Company Private Limited	Director	04-01-2005
7.	Riteplaza Trading Company Private Limited	Director	15-05-2005
8.	Goldlife Trading Company Private Limited	Director	01-06-2005
9.	Systematix Commodities Services Private Limited	Director	16-09-2005
10.	Systematix Fincorp India Limited	Director	12-07-2007
11.	Nikunj Mercantile Private Limited	Director	09-08-2007
12.	Systematix Capital Services Private Limited	Director	28-08-2008
13.	Systematix Finvest Private Limited	Director	01-12-2010
14.	Systematix Distributions Services Private Limited	Director	29-12-2011
15.	First Lady Housing Private Limited	Director	12-01-2017
16.	Perspire Builders & Developers Private Limited	Director	14-06-2022

**Annexure – II**

SL. No.	Names of the Companies /bodies corporate/ association of individuals	Nature of interest or concern / Change in interest or concern	Date on which interest or concern arose / changed
1.	Systematix Holdings Private Limited	Director	12-03-2004
2.	Swaraj Appartments P Ltd	Director	01-10-2005
3.	Systematix Assets Management Company Private Limited	Director	01-07-2010
4.	Systematix Capital Services Private Limited	Director	07-03-2012
5.	Systematix Ventures Private Limited	Director	03-09-2013
6.	Funsign Real Estate Private Limited	Director	02-07-2014
7.	Shubham Mangalam Real Estate Private Limited	Director	02-07-2014
8.	Snehvardhini Properties Private Limited	Director	02-07-2014
9.	Tekpoint Properties Private Limited	Director	02-07-2014
10.	Rangsharda Properties Private Limited	Director	02-07-2014
11.	Systematix Shares and Stocks (India) Limited	Managing Director	15-01-2016
12.	Systematix Commodities Services Private Limited	Director	25-06-2019
13.	Goldflag Exports Private Limited	Director	13-06-2022
14.	Thirdwave Mercantile Company Private limited	Director	13-06-2022
15.	Ceepeek Real Estate Private Limited	Director	02-07-2014

**Annexure – III**

SL. No.	Names of the Companies /bodies corporate/ firms/ association of individuals	Nature of interest or concern / Change in interest or concern	Date on which interest or concern arose / changed
1.	Systematix Finvest Private Limited	Whole-time Director	07-03-2011
2.	Systematix Fincorp India Limited	Director	07-03-2011
3.	Nikunj Mercantile Private Limited	Director	02-07-2014
4.	Tekpoint Properties Private Limited	Director	02-07-2014
5.	Snehvardhini Properties Private Limited	Director	02-07-2014
6.	Shubham Mangalam Real Estate Private Limited	Director	02-07-2014
7.	Rangsharda Properties Private Limited	Director	02-07-2014
8.	Funsign Real Estate Private Limited	Director	02-07-2014
9.	Topcity Trading Company Private Limited	Director	02-07-2014
10.	Riteplaza Trading Company Private Limited	Director	02-07-2014
11.	Magicline Trading Company Private Limited	Director	02-07-2014
12.	Goldlife Trading Company Private Limited	Director	02-07-2014
14.	Wonderdream Realtors Private Limited	Director	14-06-2022
15.	Systematix Commodities Services Private limited	Director	29-07-2022
17.	Skittish Realtors Private Limited	Director	31-08-2023
18.	Ceepeek Real Estate Private Limited	Director	02-07-2014

**DIRECTORS' REPORT**

To,  
The Members of  
**SYSTEMATIX CORPORATE SERVICES LIMITED**

Your Directors have pleasure in presenting the 39<sup>th</sup> Board's Report on the business and operations of your Company together with the audited financial statements for the year ended March 31, 2024.

**FINANCIAL SUMMARY OF YOUR COMPANY:**

(₹ in Lakh except EPS)

Particulars	Current Financial Year (31.03.2024)		Previous Financial Year (31.03.2023)	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operations	5574.89	13965.43	2,753.24	7,252.20
Other Income	11.99	888.31	57.32	625.20
Profit before Depreciation, Finance Costs, Exceptional items and Tax Expense	3263.77	7274.19	717.05	1173.51
Less: Depreciation/ Amortisation/ Impairment	73.94	192.49	(24.75)	263.99
Profit before Finance Costs, Exceptional & Extraordinary items and Tax Expense	3189.83	7081.70	741.80	909.52
Less: Finance Costs	229.16	309.00	196.16	333.33
<b>Profit before Exceptional &amp; Extraordinary items and Tax Expense</b>	<b>2960.67</b>	<b>6772.70</b>	<b>545.64</b>	<b>576.19</b>
Add/(less): Exceptional items	-	-	-	-
Add/(less): Extraordinary Items	-	-	-	-
<b>Profit /loss before Tax</b>	<b>2960.67</b>	<b>6772.70</b>	<b>545.64</b>	<b>576.19</b>
Less: <b>Tax Expense</b>				
Provision for Taxation	765.10	1045.05	138.87	158.03
Deferred Tax	1.17	373.77	12.32	(86.43)
Income Tax related to Earlier Years	2.21	19.25	-	(3.64)
<b>Profit for the year (1)</b>	<b>2192.19</b>	<b>5334.63</b>	<b>394.45</b>	<b>508.23</b>
Add/(less): Other Comprehensive Income (2)	(3.33)	(13.36)	1.59	36.46
<b>Total Comprehensive Income/loss Total (1+2)</b>	<b>2188.86</b>	<b>5321.27</b>	<b>396.04</b>	<b>544.69</b>
Balance of profit /loss for earlier years	3,560.02	6292.14	3,293.78	5234.03
Add: Profit for during the year	2188.86	5321.27	396.04	544.69
Less: Transfer to Debenture Redemption Reserve	-	-	-	-
Less: Transfer to Reserves	(0.04)	(708.61)	(129.80)	513.42
Less: Dividend paid on Equity Shares	-	-	-	-
Less: Dividend paid on Preference Shares	-	-	-	-
Less: Dividend Distribution Tax	-	-	-	-
Balance carried forward	5748.84	10904.80	3,560.02	6292.14
EPS (Basic)	16.89	41.10	3.04	3.92
EPS(Diluted)	16.89	41.10	3.04	3.92

**BRIEF DESCRIPTION OF YOUR COMPANY'S WORKING DURING THE YEAR / STATE OF COMPANY'S AFFAIR:**
**Standalone**

As is evident from the above financial summary, during the year, your Company has earned total income of ₹ 5586.88 Lakh as compared to total income of ₹2,810.56 earned during the previous year.

Your Company has earned profit after tax during the year of ₹ 2192.19 Lakh as compared to the profit after tax of ₹ 394.45 Lakh earned during the previous year.

## **Consolidated**

Your Group earned total income of ₹ 14853.74 Lakh as compared to total income of ₹ 7877.40 Lakh earned during the previous year.

Your Group earned profit after tax during the year of ₹ 5334.63 Lakh as compared to the profit after tax of ₹ 508.23 Lakh earned during the previous year.

These numbers reflect our adeptness at navigating the market dynamics and capitalising on strategic opportunities to enhance shareholder value. The financial performance is reflective of our continued focus on our commitment to sustainable growth amid fluctuating economic conditions.

## **CONSOLIDATED FINANCIAL STATEMENTS**

As per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and applicable provisions of the Companies Act, 2013 ("the Act") read with the Rules made thereunder (as amended from time to time), the Consolidated Financial Statements of your Company for the FY 2023-24 have been prepared in compliance with applicable Indian Accounting Standards and on the basis of the Audited Financial Statements of your Company and its subsidiaries, as approved by the respective Board of Directors ("Board"). The Consolidated Financial Statements together with the Auditors' Report is forming part of the Annual Report.

## **TRANSFER TO RESERVES:**

The Board of Directors of your company has decided not to transfer any amount to the reserves for the year under review.

## **DIVIDEND:**

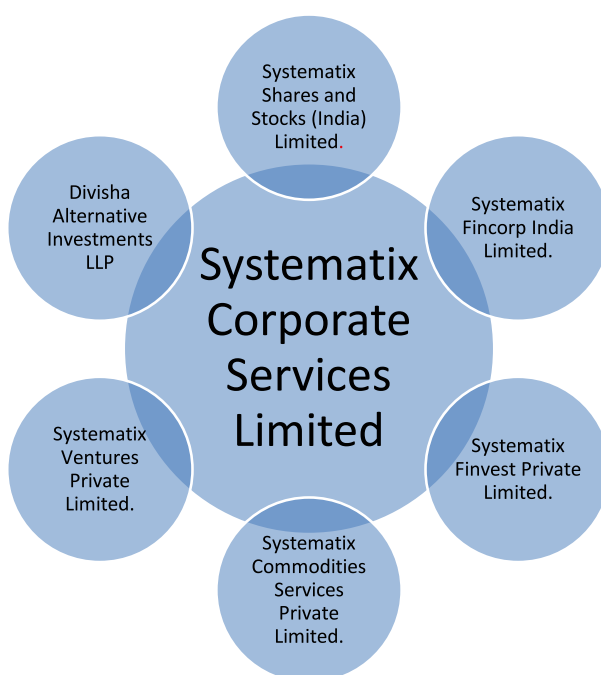
The Board at its meeting held on August 09, 2024, recommended a final dividend of ₹ 1/- per Equity Share (10% of the face value) of ₹ 10/- each, subject to the approval of Members at the forthcoming Annual General Meeting (AGM).

## **DETAILS OF COMPANIES WHICH HAVE BECOME OR CEASED AS SUBSIDIARY, ASSOCIATES AND JOINT VENTURES, DURING THE YEAR UNDER REVIEW, ARE AS UNDER:**

There is no such Company which has become or ceased as a subsidiary, associates and joint ventures, during the year under review.

Further your Company continues to be a Subsidiary Company of M/s. Systematix Holdings Private Limited, which holds 68.28 % of total paid-up share capital of your Company.

**Your Company has five Wholly Owned Subsidiary Companies and one Subsidiary LLP, namely:**



Your Company does not have any associate and joint venture company. Pursuant to Section 129 of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, the report on the performance and financial position of Subsidiary Companies in Form AOC-1 is attached herewith as 'Annexure I' and forms part of this Report. The statement also provides highlights of the performance and financial position of each of the subsidiaries and their contribution to the overall performance of your Company as per Rule 8(1) the Companies (Accounts) Rules, 2014.

The Audited Financial Statements of the said Subsidiary Companies are available on your Company's website and shall also be made available for inspection by any member at the Registered Office of your Company during business hours on working days up to the date of the ensuing AGM. Any member, who is interested in obtaining a copy of the Audited Financial Statements of any Subsidiary Companies, may write to Company Secretary of your Company.

Pursuant to the provisions of Section 136 of the Act the Audited Standalone and Consolidated Financial Statements of your Company along with relevant documents are available on your Company's website.

#### **Material Subsidiaries:**

As required under Regulation 16(1)(c) and 46 of the Listing Regulations, the Board has approved the Policy on Determination of Material Subsidiaries ("Policy"). The said Policy is available on your Company's website at <https://www.systematixgroup.in/impdocuments/Policy-determining-material-subsiidary.pdf>. Accordingly M/s. Systematix Shares and Stocks (India) Limited, M/s. Systematix Fincorp India Limited and M/s. Systematix Finvest Private Limited were determined as Material Subsidiaries for Financial Year 2023-24.

#### **CHANGE IN NATURE OF BUSINESS:**

There is no change in the nature of business of your Company for the year under review.

#### **MAINTENANCE OF BOOKS OF ACCOUNTS OF COMPANY AT A PLACE OTHER THAN REGISTERED OFFICE OF YOUR COMPANY:**

The Board of your Company has approved the change in place of keeping books of accounts, records, documents to Unit No. 303 & 304, 3rd Floor, Hallmark Business Plaza, Sant Dyaneshwar Marg, Near Gurunanak Hospital, Bandra (East), Mumbai – 400051, with effect from March 06, 2024.

#### **MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF YOUR COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF YOUR COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:**

During the year under review, there are no material changes and commitments, which affect the financial position of your Company which have occurred between the end of the financial year to which the financial statements relate and the date of this Report.

#### **ANNUAL RETURN**

Pursuant to Section 92(3) and Section 134(3)(a) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of your Company in prescribed Form MGT-7 for the financial year ended March 31, 2024 is available on your Company's website at <https://www.systematixgroup.in/>

#### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

There are no significant material orders passed by the Regulators / Courts or Tribunals which would impact the going concern status of your Company and its future operations.

#### **DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

Your Company has adequate systems of internal control, to ensure that all assets are safeguarded and protected against loss from unauthorized use and procedures commensurate with the size and nature of business. Your Company continuously upgrades its systems in line with the best availability practices. These systems are supported by periodical reviews by the management and standard policies and guidelines to ensure that financial and other records are prepared accurately. During the year under review, the Internal Financial Controls were operating effectively and no material or serious observations were received from the Auditors of your Company for inefficiency or inadequacy of such controls.

#### **INTERNAL CONTROLS OVER FINANCIAL REPORTING (ICFR):**

Your Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. During the year such controls were tested and no reportable material weakness in the design or operations



were observed. Your Company has policies and procedures 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.

#### **DEPOSITS:**

During the year under review, your Company has not accepted any deposits in terms of Section 73 of the Act read with the Companies (Acceptance of Deposit) Rules, 2014, no amounts were outstanding which were classified as 'Deposits' under the applicable provisions of Act as on the date of Balance Sheet.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE ACT:**

The particulars of loans, guarantees and investments given/made during the financial year under review and governed by the provisions of Section 186 of the Act, 2013 forms part of financial statements.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

In line with the requirements of the Act and the Listing Regulations. Your company has formulated a policy on Related Party Transactions for the purpose of identification and monitoring of such transactions and the same is available on your Company's website at <https://www.systematixgroup.in/impdocuments/Policy-materiality-and-dealing-with-RPT.pdf>. The Policy intends to ensure that proper reporting, approval and disclosure processes are in place for all transactions between your Company and Related Parties.

All related party transactions entered into during the financial year were in ordinary course of business and arm's length basis. There were no significant material related party transactions entered into by your Company with any related party during the financial year under review. Thus disclosure in Form AOC-2 as per Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not required.

All related party transactions were placed before the Audit Committee for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are repetitive in nature. The details of all such related party transactions entered into pursuant to the omnibus approval of the Committee, were placed before the Audit Committee on a quarterly basis for its review.

Further, details of related party transactions as per Indian Accounting Standard – 24 (Ind AS 24) and Schedule V of the the Listing Regulations containing name of the related party and details of the transactions entered with such related party are given under Note 36 forming part of the Notes to Account of the Standalone Financial Statements which forms part of this Annual Report.

#### **STATUTORY AUDITORS:**

M/s. Shah & Taparia, Chartered Accountants (FRN: 109463W) were appointed as the Statutory Auditors of your Company at Annual General Meeting (AGM) of your Company held on September 29, 2022 for a term of five consecutive years from the conclusion of the Annual General Meeting held on September 29, 2022 until the conclusion of Annual General Meeting of your Company to be held in the year 2027.

#### **STATUTORY AUDITORS' REPORT:**

M/s. Shah & Taparia, Statutory Auditors of your Company has audited books of account of your Company for the financial year ended March 31, 2024 and have issued the Auditors' Report on the Standalone and Consolidated Financial Statements thereon. The Auditor's Report does not contain any qualification, reservation or adverse remark or Disclaimer.

#### **SECRETARIAL AUDITOR AND THEIR REPORT:**

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Kothari H. & Associates, Practising Company Secretaries were appointed as Secretarial Auditor of your Company to undertake the Secretarial Audit of your Company for the year under review. The report of Secretarial Audit in Form No. MR-3 for the FY 2023-24 is annexed herewith as 'Annexure II'. The said report does not contain any qualification, reservation or adverse remark or disclaimer.

#### **SECRETARIAL AUDIT OF MATERIAL UNLISTED SUBSIDIARY FOR THE YEAR ENDED MARCH 31, 2024:**

As per Regulation 24A of the Listing Regulations, the Secretarial Audit of the material subsidiaries i.e. M/s. Systematix Shares and Stocks (India) Limited, M/s. Systematix Fincorp India Limited and M/s. Systematix Finvest Private Limited has been conducted by M/s. Kothari H. & Associates, Practising Company Secretaries for the financial year 2023-24. Secretarial Audit

Reports of material subsidiaries for the financial year ended March 31, 2024, are annexed herewith and marked as '**Annexure II (a), (b), and (c) to this Report**'. None of the said Audit Reports contain any qualification, reservation or adverse remark or disclaimer.

#### **INTERNAL AUDITORS**

Your Company had designated Mr. Pradeep Gotecha, as an Internal Auditor of your Company, in compliance with the provisions of Section 138 of the Act and Rules framed thereunder.

Internal Audit Reports are reviewed by the Audit Committee of your Company at their meetings held during quarterly intervals. Internal Auditor carried out his functions as per the scope of work assigned and placed his reports at the meetings of the Audit Committee, during quarterly intervals.

#### **COST AUDITORS AND RECORDS:**

The Central Government has not prescribed maintenance of cost records for your Company under Section 148 (1) of the Act.

#### **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, the Statutory Auditors and the Secretarial Auditors have not reported to the Audit Committee/ Board pursuant to Section 143 (12) of the Act, any instances of frauds committed in your Company by its officers or employees, the details of which needs to be mentioned in this Report.

#### **SHARE CAPITAL:**

There is no change in the authorised, issued, subscribed and paid-up share capital of your Company during the financial year 2023-24.

Your Company has not issued any equity shares with differential rights / sweat equity shares/ employee stock options during the financial year 2023-24.

Your Company has not bought back any of its securities during the financial year 2023-24.

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

##### **A) ENERGY CONSERVATION & TECHNOLOGY ABSORPTION:**

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However the necessary steps have been taken to conserve & preserve the energy.

Your Company has maintained a technology friendly environment for its employees to work in. Your Company uses latest technology and equipments. However since your Company is not engaged in any manufacturing, the information in connection with technology absorption is NIL.

##### **B) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The foreign exchange earnings and outgo as required under section 134(3) (m) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014, are provided as follows:

(in ₹)		
a.	Total foreign exchange earned	4,15,01,083
b.	Total foreign exchange outgo	-

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

The Board of Directors is constituted in accordance with the provisions of the Act and the Listing Regulations and Articles of Association of your Company. Your Company has received relevant disclosures and declarations from the Directors and none of them are disqualified from being appointed as Director in terms of Section 164(2) of the Act and the Listing Regulations. The detailed composition of the Board along with the meetings and attendance are provided in Corporate Governance Report which forms part of the Annual Report.

During the year under review, Ms. Rupal Narvekar resigned as Company Secretary and Compliance Officer of your Company with effect from April 21, 2023. Mr. Divyesh Badiyani was appointed as Company Secretary and Compliance Officer of your Company with effect from May 26, 2023.

Further, based on the recommendation of the Nomination and Remuneration Committee, the Board, by way of a circular resolution dated August 29, 2023, appointed Mr. Sampath Kumar Kangeyam Venkatakrishnan (DIN: 10295069) as an Additional Non-Executive Independent Director of your Company. The appointment of Mr. Sampath Kumar Kangeyam Venkatakrishnan (DIN: 10295069) was regularized in the Annual General Meeting held on September 27, 2023.

Further, Mrs. Priyanka Khandelwal, Director of your Company who retired by rotation, was re-appointed at the Annual General Meeting held on September 27, 2023.

Further, Mr. Shriram Surajmal Khandelwal (DIN: 06729564), completed his second and final term of 10 years as a Non-Executive Independent Director of your Company and consequently ceased to be a Director with effect from March 31, 2024.

In accordance with the provisions of the Act and in terms of the Articles of Association of your Company, Mrs. Anju Khandelwal who is liable to retire by rotation being eligible, has offered herself for re- appointment. The Board recommends her re-appointment for the consideration of the members of your Company at the forthcoming Annual General Meeting.

#### **INTEGRITY, EXPERTISE, EXPERIENCE AND PROFICIENCY:**

Your Board consists of eminent personalities with considerable professional expertise and credentials in finance, law, accountancy and other related skills and fields. Their wide experience and professional credentials help your Company for strategy formulation and its implementation, thereby enabling its growth objectives.

In the opinion of the Board, the independent director appointed during the year possesses requisite integrity, expertise, experience and proficiency.

#### **DECLARATION BY INDEPENDENT DIRECTOR(S):**

The Independent Directors of your Company have made a declaration confirming the compliance of the conditions of the independence stipulated in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and your Company's Code of Conduct for Board Members and Senior Management. All Independent Directors of your Company have registered themselves with the Indian Institute of Corporate Affairs.

#### **MEETINGS OF BOARD OF DIRECTORS:**

The Board of Directors met 4 (Four) times during the financial year. The details of the meeting and attendance of the Directors are provided in the Corporate Governance Report which forms part of the Annual Report.

The intervening gap between the Meetings was within the period prescribed under section 173 of the Act.

#### **MEETING OF INDEPENDENT DIRECTORS:**

The Independent Directors met 1 (One) time during the financial year. The details of the meeting and attendance of Independent Directors are provided in the Corporate Governance Report which forms part of the Annual Report.

#### **COMMITTEES OF THE BOARD OF DIRECTORS:**

Your Company has now three Board-level Committees, which have been established in compliance with the relevant provisions of applicable laws and statutes:

1. Audit Committee
2. Nomination And Remuneration Committee
3. Stakeholders' Relationship Committee

The composition of aforesaid Committees, number of meetings held of each Committee, during the year, and meetings attended by each member of the Committees are provided in Corporate Governance Report which forms part of the Annual Report.

The recommendations of the Committees, as and when made to the Board, have been accepted by the Board.

Further, pursuant to Section 135 (9) of the Companies Act, 2013, where the amount to be spent by a Company towards Corporate Social Responsibility ("CSR") does not exceed fifty lakh rupees, the requirement for constitution of the CSR Committee shall not be applicable and the functions of such Committee, be discharged by the Board of Directors of Company. Accordingly, amount to be spent by your Company in the FY 2023-2024 being less than fifty lakh rupees, the Board of your Company in its meeting held on January 23, 2024 dissolved the CSR Committee.

## **FORMAL ANNUAL EVALUATION OF DIRECTORS, COMMITTEES & BOARD:**

The Board has approved the policy for evaluating the performance of Board, its committees and individual Directors in compliance with the provision of Section 178 read with Schedule IV of the Act and the Listing Regulations. In accordance with the evaluation criteria approved, the Nomination and Remuneration Committee have carried out the annual performance evaluation of the Board as a whole, its committees and individual Directors.

The Independent Directors carried out the annual performance evaluation of the Chairman, Non- Independent Directors and the Board as a whole.

A structured questionnaire covering various aspects of the Board's functioning was circulated to the Directors. The criteria for evaluation of Independent Directors included attendance at the meetings, inter personal skills, independent judgement, knowledge, compliance framework, etc.

The feedback and results of the questionnaire were collated and consolidated report was shared with the Nomination and Remuneration Committee and the Board for improvements of its effectiveness. The Directors expressed their satisfaction with the evaluation process.

## **PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE:**

Your Company has in place a Policy for prevention of Sexual Harassment at the Workplace in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Your Company is committed to provide a safe and conducive work environment to its employees.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

In accordance with the introduction of Companies (Accounts) Amendment Rules, 2018 dated 31st July, 2018, your Directors would further like to inform that your Company has duly constituted Internal Complaints Committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

## **RISK MANAGEMENT:**

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner. Your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in strategy, business and operational plans. Some of the risks which may pose challenges are set out in Management Discussions and Analysis Report which forms part of this report.

## **CORPORATE SOCIAL RESPONSIBILITY ("CSR"):**

Your Company recognizes its responsibility towards society and focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover business, but also the communities around us.

Pursuant to Section 135 (9) of the Companies Act, 2013, where the amount to be spent by a Company towards Corporate Social Responsibility ("CSR") does not exceed fifty lakh rupees, the requirement for constitution of the CSR Committee shall not be applicable and the functions of such Committee, be discharged by the Board of Directors of Company. Accordingly, amount to be spent by your Company in the FY 2023-2024 being less than fifty lakh rupees, the Board of your Company in its meeting held on January 23, 2024 dissolved the CSR Committee.

In terms of Section 135 of the Act read with Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has also formulated a CSR Policy which is available on your Company's website at <https://www.systematixgroup.in/impdocuments/CSR-Policy.pdf>

The Annual Report on CSR activities of your Company has been appended as **Annexure III** to this Report.

## **MANAGERIAL REMUNERATION:**

The particulars of employees required pursuant to Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 form part of this Report and are annexed as **Annexure IV**. In accordance with the provisions of Section 136 of the Act, the Board's Report and the financial statements for the financial year ended March 31, 2024 are being sent to the members and others entitled thereto, excluding the details to be furnished under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 which are available for inspection by the members at the Registered Office of your Company during business hours on all working days up to the date of the ensuing Annual General Meeting. If any member desires to have a copy of the same, he may write to the Company Secretary in this regard.

## **POLICY ON DIRECTORS', KEY MANAGERIAL PERSONNEL'S AND SENIOR MANAGEMENT PERSONNEL'S APPOINTMENT AND REMUNERATION**

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed the policy for selection and appointment of Directors including determining qualifications and independence of a Director, Key Managerial Personnel ("KMP"), Senior Management Personnel and their remuneration as part of its charter and other matters provided under Section 178(3) of the Act and the Listing Regulations.

Pursuant to Section 134(3)(e) of the Act, the Nomination and Remuneration policy of your Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and relating to remuneration of Directors, KMP, Senior Management Personnel and other employees is available on your Company's website at <https://www.systematixgroup.in/impdocuments/Policy-nomination-remuneration.pdf>

The Nomination and Remuneration Policy of your Company is attached herewith as '**Annexure V**'

## **VIGIL MECHANISM/ WHISTLE BLOWER MECHANISM**

Pursuant to the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 and Regulation 22 of the Listing Regulations, your Company has framed Vigil Mechanism/ Whistle Blower Policy ("Policy") to enable directors and employees to report genuine concerns or grievances, significant deviations from key management policies and report any non-compliance and wrong practices, e.g., unethical behavior, fraud, violation of law, inappropriate behavior/ conduct etc.

The functioning of the Vigil Mechanism is reviewed by the Audit Committee from time to time. None of the Directors or employees have been denied access to the Audit Committee of the Board. The objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls, or fraudulent reporting of financial information.

The Policy framed by your Company is in compliance with the requirements of the Act & Listing Regulations and is available on your Company's website at <https://www.systematixgroup.in/impdocuments/Policy-vigil-mechanism-whistleblower.pdf>

## **CORPORATE GOVERNANCE REPORT:**

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by Securities and Exchange Board of India.

A detailed Report on Corporate Governance in terms of Schedule V of the Listing Regulations for FY 2023-24 together with a Certificate from M/s. Kothari H. & Associates, Practising Company Secretaries of your Company confirming compliance with conditions of Corporate Governance as stipulated in Regulation 34 read with Schedule V to the Listing Regulations, is forming part of the Annual Report.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

In terms of the provisions of Regulation 34 read with Schedule V of the Listing Regulations, the Management's Discussion and Analysis Report is set out as an addition to this Board Report.

## **CODE OF CONDUCT:**

Pursuant to Regulation 26(3) of the Listing Regulations, all the Directors & Senior Management of your Company have affirmed compliance with the Code of Conduct of your Company.

## **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirement under Section 134(3) (c) of the Act, with respect to Directors' Responsibility Statement, it is hereby confirmed;

- a) That in the preparation of the annual financial statements for year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your company as at March 31, 2024 and of the profit of your company for the year ended on that date;
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities;

- d) That the annual financial statements have been prepared on a going concern basis;
- e) That the proper internal financial controls were in place and that such internal financial controls were adequate and were operating effectively; and
- f) Those systems to ensure compliance with the provisions of all applicable laws was in place and was adequate and were operating effectively.

**COMPLIANCE WITH SECRETARIAL STANDARD:**

Your Company has complied with the applicable Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively.

**TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The Company is not carrying any fund which is required to be transferred to Investor Education and Protection Fund.

**PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016:**

There are no proceedings, either filed by your Company or filed against your Company, pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) before National Company Law Tribunal or other courts during the year 2024.

**DIFFERENCE BETWEEN AMOUNT OF VALUATION DONE AT ONE TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANKS OR FINANCIAL INSTITUTIONS:**

The disclosure under this clause is not applicable as there was no instance of one-time settlement with any bank or financial institutions.

**OTHER DISCLOSURES:**

During the year under review, the trading of securities was not suspended.

The Company, during the year under review, has not issued any debt instruments or has not taken fixed deposits or has not mobilized funds under any scheme or proposal. Hence, no credit ratings were obtained.

**ACKNOWLEDGEMENTS:**

Your Directors gratefully acknowledge the excellent support received from all stakeholders of your Company viz. clients, members, dealers, vendors, banks and other business partners during the year. The Directors place on record their sincere appreciation to all employees of your Company for their unstinted commitment and continued contribution to your Company.

**For and on behalf of the Board of Directors**

**Date :** 09.08.2024

**Place :** Mumbai

**Nikhil Khandelwal**  
Chairman & Managing Director  
DIN: 00016387



**Annexure - I**
**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**  
**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in ₹ in Lakh)

Sr. No.	1.	2.	3.	4.	5.	6.
<b>Name of the subsidiary</b>	Systematix Shares and Stocks (India) Limited	Systematix Fincorp India Limited	Systematix Finvest Private Limited	Systematix Commodities Services Private Limited	Systematix Ventures Private Limited	Divisha Alternative Investments LLP
<b>Reporting period for the subsidiary concerned, if different from the holding company's reporting period</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries</b>	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>Share Capital/Contribution</b>	491.35	167.58	187.82	80.00	30.00	11.00
<b>Reserves &amp; surplus</b>	8113.02	2937.87	1637.82	190.68	(22.55)	-
<b>Total assets</b>	20040.68	3130.00	1849.12	433.50	7.98	4.95
<b>Total Liabilities</b>	11436.31	24.55	23.47	162.82	0.53	(6.05)
<b>Investments</b>	2918.68	1194.05	-	-	3.98	2.07
<b>Turnover</b>	7342.19	386.08	441.39	19.24	0.02	-
<b>Profit/(Loss) before taxation</b>	2500.88	723.47	551.96	36.46	(0.74)	(0.34)
<b>Provision for taxation</b>	489.89	70.44	102.67	6.53	0.05	0.00
<b>Profit/(Loss) after taxation</b>	2010.99	653.03	449.28	29.93	(0.79)	(0.34)
<b>Proposed Dividend</b>	-	-	-	-	-	-
<b>% of shareholding</b>	100%	100%	100%	100%	100%	51%

**Notes:**

- Names of subsidiaries which are yet to commence operations – N.A.
- Names of subsidiaries which have been liquidated or sold during the year - N.A.

**Part "B": Associates and Joint Ventures**
**Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

Your Company does not have any Associate Company or Joint Venture Company, therefore Part B relating to Associates is not applicable.

**For and on behalf of the Board of Directors**

**Nikhil Khandelwal**  
Chairman & Managing Director  
DIN: 00016387

**Anil Bhagchandani**  
Chief Financial Officer

**Date :** 10.05.2024  
**Place :** Mumbai

**Mr. Divyesh Badiyani**  
Company Secretary



**FORM NO. MR - 3**
**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2024**

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

To,  
The Members  
**Systematix Corporate Service Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Systematix Corporate Services Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

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 March 31, 2024 ('Audit period') complied with the statutory provisions listed hereunder 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 Systematix Corporate Services Limited for the financial year ended on March 31, 2024 according to the provisions of:
  - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
  - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
  - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
  - v. The Regulations and Guidelines prescribed under the Securities and Exchange The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.: -
    - 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, 2015;
    - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not applicable to the company during the Audit Period)**
    - d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the company during the Audit Period)**
    - e. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the company during the Audit Period)**
    - 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, 2021; **(Not applicable to the company during the Audit Period)** and
    - h. Securities and Exchange Board of India (Buy-back of Securities) Regulations 2018; **(Not applicable to the company during the Audit Period)**
    - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment made thereunder.

- We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations as applicable specifically to the company.
  - i. Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992
  - ii. Securities and Exchange Board of India (Intermediaries) Regulations, 2008 *(To the extent applicable)*

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

1. Secretarial Standards issued by The Institute of Company Secretaries of India related to Board Meetings and General Meetings.
2. The Listing Agreement(s) entered into by the Company with BSE Limited pursuant to the SEBI (Listing Obligations & 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:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors, however there was a change in Directors of the Company during the period under review, in compliance with the provisions of the Act.

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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report that** Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / Company Secretary / CFO / KMP taken on record by the Board of Directors of the Company, in our opinion there are adequate Systems and processes in the Company commensurate with the size and the operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law Compliances have been subject to review by statutory financial audit and other designated professionals.

**We further report that** during the audit period the Company has not passed any resolution for the following:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction, etc,
- v. Foreign technical collaborations.

For **KOTHARI H. & ASSOCIATES**

**Company Secretaries**

**(Peer Review Certificate No. 5312/2023)**

**Sonam Jain**

Membership No. F9871

Certificate of Practice No. 12402

**UDIN:** F009871F000934731

**Place :** Mumbai

**Date :** 09.08.2024

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**

To,  
The Members  
**Systematix Corporate Service Limited**

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 the 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. Wherever 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 is 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 the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **KOTHARI H. & ASSOCIATES**  
**Company Secretaries**

**Sonam Jain**  
Membership No. F9871  
Certificate of Practice No. 12402

**Place :** Mumbai  
**Date :** 09.08.2024

**FORM MR-3**
**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2024**

*[Pursuant to the provisions of Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Members

**Systematix Shares and Stocks (India) Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Systematix Shares and Stocks (India) Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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 March 31, 2024 ('Audit period') complied with the statutory provisions listed hereunder 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 Systematix Shares and Stocks (India) Limited for the financial year ended on March 31, 2024 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; **(to the extent applicable)**
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(to the extent applicable)**
  - 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; **(not applicable to the Company during the Audit period)**
  - v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **(to the extent applicable)**
    - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment made thereunder; **(to the extent applicable)**
    - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment made thereunder; **(to the extent applicable)**
    - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(to the extent applicable)**
    - d. 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;
- We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations as applicable specifically to the company.
  - I. The Securities and Exchange Board of India (Stock Brokers) Regulations, 1992
  - II. The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020
  - III. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018
  - IV. The Securities and Exchange Board of India (Research Analysts) Regulations, 2014
  - V. Securities and Exchange Board of India (Intermediaries) Regulations, 2008

***Note: The list is an indicative list and not an exhaustive list.***

In addition to the above other SEBI/exchange regulations/ directives/ rules/ byelaws/ guidelines/ circulars to govern Company's regulatory licenses.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India related to the Board Meetings and General Meetings.

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:**

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.

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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report** that Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / KMP taken on record by the Board of Directors of the Company, in our opinion there are adequate Systems and processes in the Company commensurate with the size and the operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law Compliances have been subject to review by statutory financial audit and other designated professionals.

**We further report that** during the audit period the Company has not passed any resolution for the following:

- i. Public / Right / Preferential issue of shares / debentures / sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction, etc.
- v. Foreign technical collaborations.

For **KOTHARI H. & ASSOCIATES**

**Company Secretaries**

**(Peer Review Certificate No. 5312/2023)**

**Sonam Jain**

Membership No. F9871

Certificate of Practice No. 12402

**UDIN:** F009871F000934905

**Place :** Mumbai

**Date :** 09.08.2024

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**

To,  
The Members  
**Systematix Shares and Stocks (India) Limited**

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. Wherever 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 is 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 the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **KOTHARI H. & ASSOCIATES**  
**Company Secretaries**

**Sonam Jain**  
Membership No. F9871  
Certificate of Practice No. 12402

**Place :** Mumbai  
**Date :** 09.08.2024

**FORM MR-3**
**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2024**

*[Pursuant to the provisions of Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Members  
**Systematix Fincorp India Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Systematix Fincorp India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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 March 31, 2024 ('Audit period') complied with the statutory provisions listed hereunder 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 Systematix Fincorp India Limited for the financial year ended on March 31, 2024 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; **(to the extent applicable)**
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(to the extent applicable)**
  - 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; **(not applicable to the Company during the Audit period)**
  - v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **(to the extent applicable)**
    - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment made thereunder; **(to the extent applicable)**
    - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment made thereunder; **(to the extent applicable)**
    - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(to the extent applicable)**
- We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations as applicable specifically to the company.
  - i. RBI Act, 1934
  - ii. RBI Master Guidelines issued by RBI from time to time.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India related to the Board Meetings and General Meetings.

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:**

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

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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report that** Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / KMPs taken on record by the Board of Directors of the Company, in our opinion there are adequate Systems and processes in the Company commensurate with the size and the operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law Compliances have been subject to review by statutory financial audit and other designated professionals.

**We further report that** during the audit period the Company has not passed any resolution for the following:

- i. Public / Right / Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction, etc.
- v. Foreign technical collaborations.

For **KOTHARI H. & ASSOCIATES**

**Company Secretaries**

**(Peer Review Certificate No. 5312/2023)**

**Sonam Jain**

Membership No. F9871

Certificate of Practice No. 12402

**UDIN:** F009871F000934839

**Place :** Mumbai

**Date :** 09.08.2024

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**

To,  
The Members  
**Systematix Fincorp India Limited**

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. Wherever 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 is 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 the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **KOTHARI H. & ASSOCIATES**  
**Company Secretaries**

**Sonam Jain**  
Membership No. F9871  
Certificate of Practice No. 12402

**Place :** Mumbai  
**Date :** 09.08.2024

**FORM MR-3**
**SECRETARIAL AUDIT REPORT**
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2024**

*[Pursuant to the provisions of Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,  
The Members  
**Systematix Finvest Private Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Systematix Finvest Private Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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 March 31, 2024 ('Audit period') complied with the statutory provisions listed hereunder 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 Systematix Finvest Private Limited for the financial year ended on March 31, 2024 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; **(to the extend applicable)**
  - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(to the extend applicable)**
  - 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; **(not applicable to the Company during the Audit period)**
  - v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **(to the extend applicable)**
    - a. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendment made thereunder; **(to the extend applicable)**
    - b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendment made thereunder; **(to the extend applicable)**
    - c. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(to the extend applicable)**
- We have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other Acts, Laws and Regulations as applicable specifically to the company.
  - i. RBI Act, 1934
  - ii. RBI Master Guidelines issued by RBI from time to time.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India related to the Board Meetings and General Meetings.

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:**

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

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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**We further report that** Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by the respective Department Heads / KMPs taken on record by the Board of Directors of the Company, in our opinion there are adequate Systems and processes in the Company commensurate with the size and the operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**We further report that** the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law Compliances have been subject to review by statutory financial audit and other designated professionals.

**We further report that** during the audit period the Company has not passed any resolution for the following:

- i. Public / Right / Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction, etc.
- v. Foreign technical collaborations.

For **KOTHARI H. & ASSOCIATES**

**Company Secretaries**

**(Peer Review Certificate No. 5312/2023)**

**Sonam Jain**

Membership No. F9871

Certificate of Practice No. 12402

**UDIN:** F009871F000934894

**Place :** Mumbai

**Date :** 09.08.2024

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**

To,  
The Members  
**Systematix Finvest Private Limited**

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. Wherever 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 is 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 the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **KOTHARI H. & ASSOCIATES**  
**Company Secretaries**

**Sonam Jain**  
Membership No. F9871  
Certificate of Practice No. 12402

**Place :** Mumbai  
**Date :** 09.08.2024

**Annexure - III**
**Format for the Annual Report on CSR Activities to be Included in the Board's Report for Financial Year Commencing on or After 1st Day of April, 2020**
**1. Brief outline on CSR Policy of the Company.**

The Company is focusing on sustainable business practices encompassing economic, environmental and social imperatives that not only cover business, but also the communities around us. Our Corporate Social Responsibility (CSR) encompasses holistic community development and institution building, while shaping and sharing solutions that serve the development of businesses and communities. Our CSR Policy aims to provide a dedicated approach to community development in the areas of promoting education, promoting healthcare and sanitation and making available safe drinking water, promoting gender equality, empowering women, ensuring environmental sustainability, protection of national heritage, art and culture, measures for the benefit of armed forces veterans, training to promote rural sports, contribute to the Prime Minister's national relief fund, contribution to incubators or research and development projects, contributions to public funded Universities Rural Development Projects, slum area development, disaster management.

**2. Composition of CSR Committee: *Not Applicable***

Pursuant to Section 135 (9) of the Companies Act, 2013, where the amount to be spent by a Company towards Corporate Social Responsibility ("CSR") does not exceed fifty lakh rupees, the requirement for constitution of the CSR Committee shall not be applicable and the functions of such Committee, be discharged by the Board of Directors of Company. Accordingly, amount to be spent by your Company in the FY 2023-2024 being less than fifty lakh rupees, the Board of your Company in its meeting held on January 23, 2024 dissolved the CSR Committee.

**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.**

1. Weblink for Composition of CSR committee: ***Not Applicable***
2. Weblink for CSR Policy : <https://www.systematixgroup.in/impdocuments/CSR-Policy.pdf>
3. Weblink for CSR projects: CSR expenditure incurred during the financial year is not on an ongoing project, accordingly the same is not disclosed on the website of the Company.
4. Details of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report): ***Not Applicable***
5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any: ***Not Applicable***
6. Average net profit of the company as per section 135(5): ₹ 7,34,75,794.55/-
  - a) Two percent of average net profit of the company as per section 135(5): ₹ 14,69,515.89/-
  - b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **NIL**
  - c) Amount required to be set off for the financial year, if any: **NIL**
  - d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 14,69,515.89/-
7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount	Date of transfer
15,00,000.00	NIL	NIL	NIL	NIL	NIL

(b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
SL. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name.	CSR registration number
1.	Promoting Healthcare	i	No	Kerala	Palakkad	7,50,000.00/-	No	Swami Vivekananda Medical Mission	CSR00002488
2	Setting up Hostels	iii	Yes	Maharashtra	Mumbai	2,50,000.00/-	No	KPA Welfare Foundation	CSR00008214
3	Promoting Education	ii	Yes	Maharashtra	Navi Mumbai	5,00,000.00/-	No	Magic Bus India Foundation	CSR00001330
<b>Total</b>						<b>₹ 15,00,000.00/-</b>			

(d) Amount spent in Administrative Overheads: **NIL**

(e) Amount spent on Impact Assessment, if applicable: **NIL**

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **₹ 15,00,000.00/-**

(g) Excess amount for set off, if any: **NIL**

SL. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	₹ 14,69,515.89/-
(ii)	Total amount spent for the Financial Year	₹ 15,00,000.00/-
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 30,484.11/-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

8. (a) Details of Unspent CSR amount for the preceding three financial years: **Not Applicable**

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): **Not Applicable.**

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details).

a. Date of creation or acquisition of the capital asset(s): **Not Applicable**

b. Amount of CSR spent for creation or acquisition of capital asset: **Not Applicable**





- c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: ***Not Applicable***
  - d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): ***Not Applicable***
10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5):  
***Not Applicable***

**Nikhil Khandelwal**  
**Managing Director**  
**DIN: 00016387**

**Date : 09.08.2024**  
**Place : Mumbai**



**Annexure - IV**
**DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2023-24, ratio of the remuneration of each Director to the median remuneration of the employees of your Company for the financial year 2023-24 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of your Company are as under:

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2023-24 (₹ in Lakh)	% increase in Remuneration in the Financial Year 2023-24	Ratio of remuneration of each Director/ to median remuneration of employees
1	<b>Mr. Nikhil Khandelwal</b> , Managing Director	30.00	12.53%	3.91
2.	<b>Ms. Priyanka Khandelwal</b> Wholetime Director	12.00	50.00%	1.56
3	<b>Mr. Anil Bhagchandani</b> Chief Financial Officer	31.06	33.13%	Not Applicable
4	<b>Mr. Divyesh Badiyani</b> Company Secretary	6.38	Not Applicable	Not Applicable

**Note:**

- Details not given as Mr. Divyesh Badiyani acted as Company Secretary for part of financial year 2023-24.
- No Director other than Managing Director & Wholetime Director received any remuneration other than sitting fees for the financial year 2023-24.
- The median remuneration of employees of your Company during the financial year was ₹ 7.67 Lakh.
- In the financial year 2023-24, there was a decrease of 21.92% in the median remuneration of employees.
- There were 25 permanent employees on the roll of your Company as on March 31, 2024.
- For the Financial Year 2023-24, the average annual decrease in the remuneration of employees (excluding the remuneration of managerial personnel) was 24.92% and the average percentage increase in managerial remuneration was 31.26%.
- affirmation that the remuneration is as per the remuneration policy of your Company:
- It is hereby affirmed that the remuneration paid is as per the remuneration policy of your Company.

## **NOMINATION AND REMUNERATION POLICY (u/s178)**

### **INTRODUCTION:**

Systematix Corporate Services Limited considers human capital as a strategic source of value creation. It aims, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR") as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel, Senior Management and other employees has been framed by the Committee and approved by the Board of Directors.

### **THE OBJECTIVE AND PURPOSE OF THIS POLICY ARE AS FOLLOWS:**

- To guide the Board of Directors in relation to appointment and removal of Directors (Executive and Non-Executive), Key Managerial Personnel, Senior Management and Other Employees.
- To lay down criteria for determining qualifications, positive attributes and independence of a Director.
- To lay down criteria for evaluation of Independent Director and the Board of Directors.
- To recommend to the Board of Directors on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- To provide to Directors, Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and also to ensure long term sustainability of talented managerial persons to create competitive advantage.

### **DEFINITIONS:**

- **Board**, means Board of Directors of the Company.
- **Directors**, means Directors of the Company.
- **Committee** means Nomination and Remuneration Committee of the Company as constituted by the Board.
- **Company**, means Systematix Corporate Services Limited.
- **Independent Director** means a director referred to in section 149(6) of the Companies Act, 2013 and as per Listing Regulation.
- **Key Managerial Personnel (KMP) means-**
  - (i) Managing Director or Chief Executive Officer or manager and in their absence, a Whole-time Director;
  - (ii) Chief Financial Officer;
  - (iii) Company Secretary;
  - (iv) Such other officer as may be prescribed under the applicable statutory provisions / rules and regulations.
- **"Regulations" or "Listing Regulations"** means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any modifications, clarifications or re-enactment thereof.
- **"Act"** means the Companies Act, 2013.
- **"Senior management"** shall mean the officers and personnel of the listed entity who are members of its core management team, excluding the Board of Directors, and shall also comprise all the members of the management one level below the Chief Executive Officer or Managing Director or Whole Time Director or Manager (including Chief Executive Officer and Manager, in case they are not part of the Board of Directors) and shall specifically include the functional heads, by whatever name called and the Company Secretary and the Chief Financial Officer.

### **FREQUENCY OF MEETINGS:**

The meeting of the Committee shall be held at least once in a year and at such regular intervals as may be required.

**APPLICABILITY:**

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

**COMMITTEE MEMBERS' WELFARES:**

Member of the Committee is not entitled to be present/participate in discussion when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

- The salient features of this Company's policy shall be included in the Board's Report.

**SECRETARY:**

The Company Secretary of the Company shall act as Secretary of the Committee.

**RECOMMENDATIONS TO BE MADE BY NRC:**

The Committee shall:

- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
- Recommend to the Board whether to extend or continue the term of appointment of Independent Directors based on the basis of report of performance evaluation.
- Recommend to the Board, all remuneration, in whatever form payable to senior management.

**APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of **seventy five years**. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

**TERM / TENURE:**
**1. Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

**2. Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1<sup>st</sup> October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

• **Performance Evaluation Criteria of Independent Directors:**

1. Understanding of nature and role of independent directors' position;
2. Active engagement with the Management and attentiveness to progress of decisions taken;
3. Driving any function or identified initiative based on domain knowledge and experience;
4. Proactive, strategic and lateral thinking.

**EVALUATION:**

The Committee shall carry out evaluation of performance of its Board, KMP and Senior Management Personnel its committees and individual directors to be carried by the Board at regular interval (yearly).

**CONTINUATION OF DIRECTOR SERVING ON THE BOARD:**

The continuation of a Director serving on the Board of the Company shall be subject to the approval by the Shareholders in a general meeting at least once in every five years from the date of their appointment or re-appointment, as the case may be.

The requirement specified above shall not be applicable to the Whole-Time Director, Managing Director, Manager, Independent Director or a Director retiring as per the sub-section (6) of section 152 of the Act, if the approval of the shareholders for the re-appointment or continuation of the aforesaid directors or Manager is otherwise provided for by the provisions of the regulations or the Act and has been complied with.

The requirement specified above shall not be applicable to the Director appointed pursuant to the order of a Court or a Tribunal or to a Nominee Director of the Government on the board of the Company, other than a public sector company, or to a nominee director of a financial sector regulator on the board of the Company.

The requirement specified in above shall not be applicable to a Director nominated by a financial institution registered with or regulated by the Reserve Bank of India under a lending arrangement in its normal course of business or nominated by a Debenture Trustee registered with the Board under a subscription agreement for the debentures issued by the listed entity.

**REMOVAL:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**RETIREMENT:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**VACANCIES IN RESPECT OF DIRECTORS:**

Any vacancy in the office of a Director shall be filled by the Company at the earliest and in any case not later than three months from the date such vacancy.

Provided that if the Company becomes non-compliant with the requirement under the regulation, due to expiration of the term of office of any Director, the resulting vacancy shall be filled by the Company not later than the date such office is vacated.

Provided further that the office of a Director shall not be filled if the Company fulfils the requirement under the regulation without filling the vacancy.

**VACANCIES IN RESPECT OF CERTAIN KEY MANAGERIAL PERSONNEL:**

Any vacancy in the office of Chief Financial Officer, Chief Executive Officer, Managing Director, Whole Time Director or Manager shall be filled by the Company at the earliest and in any case not later than three months from the date of such vacancy.

Provided that the Company shall not fill such vacancy by appointing a person in interim capacity, unless such appointment is made in accordance with the laws applicable in case of a fresh appointment to such office and the obligations under such laws are made applicable to such person.

#### **THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL:**

- **General:**

The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior approval of the shareholders of the Company.

1. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
2. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
3. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- **Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

1. **Fixed pay:**

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013.

3. **Provisions for excess remuneration:**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Shareholders, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

4. The fees or remuneration payable to the executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting if the said compensation exceeds the limit specified in the Regulation 17(6)(e) of the SEBI( Listing Obligation and Disclosure Requirements, Amendment) Regulations, 2018.

- **Remuneration to Non- Executive / Independent Director:**

1. **Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder. And all the fees or compensation to be paid to non-executive directors shall require approval of the Shareholders in General Meeting except the payment of sitting fees.

The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to single non-executive director exceeds 50% of the total remuneration payable to all the non-executive directors.

**2. Sitting Fees:**

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed from time to time.

**3. Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit as computed as per the applicable provisions of the Companies Act, 2013.

**4. Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

**AMENDMENTS TO THE POLICY:**

The Nomination and Remuneration Committee shall review and may amend this policy from time to time, subject to the approval of the Board of Directors of the Company.



## CORPORATE GOVERNANCE REPORT

The Directors present the Corporate Governance report of your company for the year ended March, 31 2024.

### 1. **COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The foundation of a successful enterprise is built on excellent Corporate Governance practices. Your Company's approach to Corporate Governance is based on legacy of fair, ethical and transparent practices. Corporate Governance broadly refers to a set of rules and practices designed to govern the behavior of corporate enterprises. Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements in terms of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time, but also several inherent core values of business ethics, transparency, effective supervision and enhancement of shareholder's value. Your Company firmly believes that Corporate Governance is a powerful tool to sub serve the long term growth of your Company and continues to give high priority to the principles and practices of good Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of corporate governance as laid down in chapter IV of the Listing Regulations as amended from time to time.

#### **Governance Structure:**

Your Company's Governance structure broadly comprises the Board of Directors and the Committees of the Board at the apex level and the Management structure at the operational level. This layered structure brings about a harmonious blend in governance as the Board sets the overall corporate objectives and gives direction and freedom to the Management to achieve these corporate objectives within a given framework, thereby bringing about an enabling environment for value creation through sustainable profitable growth.

Your Company ensures timely disclosures and sharing of accurate information about financials and performance as well as leadership and governance of your Company.

The Corporate Governance philosophy of your Company rests on five basic tenets viz., Board's accountability, value creation, strategic guidance, transparency and equitable treatment to all stakeholders.

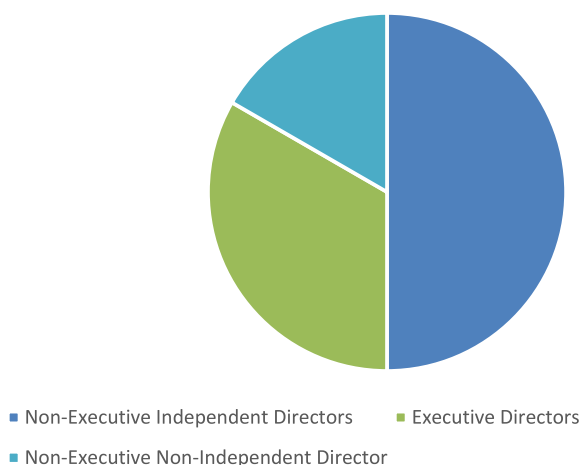
### 2. **BOARD OF DIRECTORS (BOARD):**

#### **i) Composition of the Board of Directors:**

Board of your Company comprises highly experienced persons of repute, eminence and has a good and diverse mix of Executive and Non-Executive Directors in conformity with the applicable provisions of Section 149 of the Companies Act, 2013 ("Act") and Regulation 17 of the Listing Regulations as amended from time to time.

As on March 31, 2024, the Board consists of 7 (Seven) Directors, 3 (Three) of them are Non-Executive Independent Directors. Your Company has Executive Chairman & he is one of the Promoter of your Company, thus 50% of the total Board of Directors are independent. All members of the Board are persons with considerable experience and expertise in the Industry.

Composition of Board



The Executive Director provides leadership to the Board and to the Management in strategizing and realizing business objectives and is supported by Independent Directors. The Independent Directors contribute by giving their valuable guidance and inputs with their independent judgment on the overall business strategies and performance.

None of the Directors on the Board is a Member of more than ten (10) Committees and Chairman of more than five (5) Committees (as specified in Regulation 26 of the Listing Regulations across all the companies in which he/she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

**ii) Details of the Board Meeting held during the year and Attendance of the Directors in Board Meetings and the last Annual General Meeting**

The Board meets at least once in each quarter, inter-alia to review the quarterly results and other matters. In addition, the Board also meets whenever necessary. The Board periodically reviews compliance reports of all laws applicable to your Company.

The Board of Directors met 4 (Four) times during the financial year i.e. on May 26, 2023, August 09, 2023, November 08, 2023 and January 23, 2024. The maximum gap between any two meetings was not more than one hundred and twenty days. The required quorum was present at all the above meetings. The Meetings of the Board are generally held at the Corporate Office of Your Company.

Name of Director → Date of Meeting ↓	Mr. Nikhil Khandelwal	Mrs. Anju Khandelwal	Mrs. Priyanka Khandelwal	Mr. Sanjay Khandelwal	Mr. Rakesh Mehta	*Mr. Shriram Surajmal Khandelwal	**Mr. Sampath Kumar Kangeyam Venkatakrishnan
<b>Board Meeting</b>							
May 26, 2023	Yes	Yes	Yes	Yes	Yes	Yes	NA
August 09, 2023	Yes	Yes	Yes	Yes	Yes	Yes	NA
November 08, 2023	Yes	Yes	Yes	Yes	Yes	Yes	Yes
January 23, 2024	Yes	Yes	Yes	Yes	Yes	Yes	No

All the Directors were present at the Annual General Meeting held on September 27, 2023.

\* Mr. Shriram Surajmal Khandelwal (DIN: 06729564), completed his second and final term of 10 years as a Non-Executive Independent Director of your Company and consequently ceased to be a Director with effect from March 31, 2024.

\*\*Mr. Sampath Kumar Kangeyam Venkatakrishnan (DIN: 10295069) was appointed as an Additional Non-Executive Independent Director of your Company with effect from August 29, 2023 and subsequently his appointment was regularized in the Annual General Meeting held on September 27, 2023.

**iii) Directorship in other Companies and Chairmanship(s) / Membership (s) of Committees of each director in various Companies as on March 31, 2024:**

The following table gives details of category, number of other Directorship(s) and Chairmanship(s) / Membership (s) of Committees of each director in various Companies as on March 31, 2024:

Name of the Director	DIN	Category	*No. of Directorships	**No. of Membership in Committees of other Companies	**No. of Chairmanships in Committees of other Companies
Mr. Nikhil Khandelwal	00016387	Promoter, Chairman & Managing Director	15	-	-
Mrs. Anju Khandelwal	00474604	Promoter & Non-Executive Director	16	-	-

Name of the Director	DIN	Category	*No. of Directorships	**No. of Membership in Committees of other Companies	**No. of Chairmanships in Committees of other Companies
Mrs. Priyanka Khandelwal	01878267	Member of Promoter Group & Whole-time Director	16	-	-
Mr. Sanjay Khandelwal	01592134	Non- Executive / Independent Director	4	-	-
Mr. Rakesh Mehta	03203106	Non- Executive/ Independent Director	4	-	-
***Mr. Shriram Surajmal Khandelwal	06729564	Non- Executive/ Independent Director	2	-	-
**** Mr. Sampath Kumar Kangeyam Venkatakrishnan	10295069	Non- Executive/ Independent Director	-	-	-

\*Excluding Systematix Corporate Services Limited

\*\*Membership/ Chairmanship in Committee of Directors includes Audit Committee and Stakeholders' Relationship Committee of Directors, only of Public Limited Companies. This does not include Membership/ Chairmanship in Committee of Directors of Private Limited Companies, Foreign Companies, Section 8 Companies, High Value Debt Listed Entities and Systematix Corporate Services Limited.

\*\*\* Mr. Shriram Surajmal Khandelwal (DIN: 06729564), completed his second and final term of 10 years as a Non-Executive Independent Director of your Company and consequently ceased to be a Director with effect from March 31, 2024.

\*\*\*\*Mr. Sampath Kumar Kangeyam Venkatakrishnan (DIN: 10295069) was appointed as an Additional Non-Executive Independent Director of your Company with effect from August 29, 2023 and subsequently his appointment was regularized in the Annual General Meeting held on September 27, 2023.

The number of directorships and the positions held in Board Committees by the directors are in conformity with the limits on the number of Directorships and Board Committee positions as laid down in the Act and Regulation 26 of the Listing Regulations as on March 31, 2024.

No Directors hold directorships in other listed entities, hence the names of the listed entities along with category of directorship are not provided.

**iv) Disclosure of relationships between directors inter-se**

Mr. Nikhil Khandelwal is son of Mrs. Anju Khandelwal and Husband of Mrs. Priyanka Khandelwal. None of the other directors are related to each other.

**v) Number of Shares held by Non-Executive Directors**

The details of shares held by Non-Executive Directors as on March 31, 2024 are as below:

Sr. No.	Name of Non-Executive Directors	No. of Shares held
1	Mrs. Anju Khandelwal	50,803
2	Mr. Sanjay Khandelwal	Nil
3	Mr. Rakesh Mehta	Nil
4	*Mr. Shriram Surajmal Khandelwal	Nil
5	**Mr. Sampath Kumar Kangeyam Venkatakrishnan	Nil

\*Mr. Shriram Surajmal Khandelwal (DIN: 06729564), completed his second and final term of 10 years as a Non-Executive Independent Director of your Company and consequently ceased to be a Director with effect from March 31, 2024.

\*\*Mr. Sampath Kumar Kangeyam Venkatakrishnan (DIN: 10295069) was appointed as an Additional Non-Executive Independent Director of your Company with effect from August 29, 2023 and subsequently his appointment was regularized in the Annual General Meeting held on September 27, 2023.

**vi) Separate Independent Directors' Meetings:**

Independent Directors held a separate meeting in compliance with the requirements of Section 149(8) read with Schedule IV of the Act and Regulation 25 (3) of the Listing Regulations.

The meeting of Independent Directors was held on January 23, 2024 inter-alia to,

- Review the performance of Non-Independent Directors and Board of Director as a whole; including committees of the Board.
- Review the performance of the Chairperson.
- Assess the quality, quantity and timeliness of flow of information between management and board of directors;

As required under Regulation 46 of the Listing Regulations, the terms and conditions for appointment of Independent Directors is available on your Company's website at <https://www.systematixgroup.in/cms/ResearchReport/SCSL-Terms%20and%20conditions%20of%20appointment%20of%20Independent%20Director.pdf>

**vii) Familiarization Programme for Independent Directors:**

Your Company has familiarisation programme for the Independent Directors with regard to their roles, rights and responsibilities in your Company, nature of the industry in which your Company operates, the business models of your Company etc. It aims to provide insight to the Independent Directors to understand the business of your Company. The Independent Directors are familiarised with their roles, rights and responsibilities.

The Board members are provided with necessary documents, reports and internal policies to enable them to familiarise with your Company's procedures and practices. Further, on an ongoing basis as a part of Agenda of the Board/ Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the business strategies, management structure, management development, quarterly and annual results, budgets, review of Internal Audit, risk management framework, operations of subsidiaries and associates.

Your Company has periodically conducted the Familiarization Programme for Independent Directors and the same is available on the website of your Company at [https://www.systematixgroup.in/cms/ResearchReport/SCSL\\_Familiarization%20programme%20conducted%20for%20Independent%20Director\\_23-24.pdf](https://www.systematixgroup.in/cms/ResearchReport/SCSL_Familiarization%20programme%20conducted%20for%20Independent%20Director_23-24.pdf)

**viii) Matrix setting out the core skills/ expertise/ competencies of the Board of Director:**

As stipulated under Schedule V of the Listing Regulations, the Board of Directors has identified the following core skills/ expertise/ competencies, required in the context of its business to function effectively.

Sr. No.	Skills/expertise/competences	Name of the Directors
1	Management and Strategy	Mr. Nikhil Khandelwal Mrs. Priyanka Khandelwal
2	Business Leadership	Mr. Nikhil Khandelwal
3	Operational matters	Mr. Nikhil Khandelwal
4	Research and Development	Mr. Nikhil Khandelwal and Mrs. Anju Khandelwal
5	Finance and Taxation	*Mr. Shriram Surajmal Khandelwal, Mr. Rakesh Mehta and Mr. Sanjay Khandelwal Mrs. Priyanka Khandelwal **Mr. Sampath Kumar Kangeyam Venkatakrishnan

Sr. No.	Skills/expertise/competences	Name of the Directors
6	Financial Services	Mr. Nikhil Khandelwal Mrs. Priyanka Khandelwal **Mr. Sampath Kumar Kangeyam Venkatakrishnan
7	Law	*Mr. Shriram Surajmal Khandelwal and Mr. Sanjay Khandelwal **Mr. Sampath Kumar Kangeyam Venkatakrishnan
8	Corporate Governance and Ethics	Mrs. Anju Khandelwal, Mrs. Priyanka Khandelwal, Mr. Sanjay Khandelwal and Mr. Rakesh Mehta

\*Mr. Shriram Surajmal Khandelwal (DIN: 06729564), completed his second and final term of 10 years as a Non-Executive Independent Director of your Company and consequently ceased to be a Director with effect from March 31, 2024.

\*\*Mr. Sampath Kumar Kangeyam Venkatakrishnan (DIN: 10295069) was appointed as an Additional Non-Executive Independent Director of your Company with effect from August 29, 2023 and subsequently his appointment was regularized in the Annual General Meeting held on September 27, 2023.

**ix) Declaration/Confirmation and status of Independent Directors:**

All the Independent Directors of your Company have been appointed as per the provisions of the Act and the Rules made thereunder and meet the requirement of Regulation 25 of the Listing Regulations.

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as specified in Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act and they are qualified to act as Independent Directors. In terms of Regulation 25(8) of the Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective of independent judgement and without any external influence. Further, apart from receiving sitting fees, none of the Independent Directors have any other material pecuniary relationship or transaction with your Company, its Promoters, or Directors, or Senior Management which, in their judgment, would affect their independence.

The Independent Directors have also registered their names in the Data Bank maintained by the Indian Institute of Corporate Affairs as mandated in the Companies (Appointment and Qualification of Directors), Rules, 2014.

The Board of Directors have taken on record the declaration and confirmation submitted by the Independent Directors and is of the opinion that they fulfil the conditions specified in the Act and the Listing Regulations and are independent of the management.

**x) Board Diversity:**

Your Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board. Pursuant to Listing Regulations, the Nomination & Remuneration Committee has formalized a policy on Board Diversity to ensure diversity of experience, knowledge, perspective, background, gender, age and culture. The policy is available on the website of your Company at <https://www.systematixgroup.in/cms/ResearchReport/Policy%20on%20Board%20Diversity.pdf>

**BOARD COMMITTEES:**

In compliance with the Act, the Listing Regulations and the applicable laws, the Board constituted the following committees:

- Audit Committee
- Stakeholders Relationship Committee
- Nomination & Remuneration Committee

## iv) Corporate Social Responsibility Committee

The Board determines the constitution of the committees and the terms of reference for committee members, including their roles and responsibilities.

i) **Audit Committee:**

The Audit Committee comprises of three (3) Non-Executive Independent Directors as on March 31, 2024. The same is as under:

Sr. No.	Name	Category	Designation in the Committee
1	Mr. Sanjay Khandelwal	Non-Executive Independent Director	Chairman
2	Mr. Sampath Kumar Kangeyam Venkatakrishnan	Non-Executive Independent Director	Member
3	Mr. Rakesh Mehta	Non-Executive Independent Director	Member

**Note:** During the year under review, the Board of Directors of your Company at their meeting held on January 23, 2024 re-constituted the Audit Committee with effect from March 31, 2024, wherein Mr. Shriram Surajmal Khandelwal ceased to act as a Chairman & Member of the Audit Committee, Mr. Sanjay Khandelwal was designated as a Chairman of the Audit Committee and Mr. Sampath Kumar Kangeyam Venkatakrishnan was appointed as a Member of the Audit Committee.

All the members are financially literate and have accounting / related financial management expertise. The Committee's composition and terms of reference is in accordance with the requirements of Regulation 18 read with Part C of Schedule II of the Listing Regulations and provisions of Section 177 of the Act. The Company Secretary acts as the secretary to the Committee.

**Terms of Reference of the Audit Committee:**

- Overseeing your Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Recommendation for appointment, re-appointment, terms of appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Reviewing with the management, the annual financial statements and Auditor's Report thereon before submission to the Board of Directors for approval, with particular reference to:
  - Matters required to be included in the director's responsibility statement to be included in the Board of Directors' report in terms of clause (c) of sub-section 3 of section 134 of the Act;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions;
  - Modified opinion(s) in the draft audit report;
- Reviewing with the management the quarterly financial results before submission to the Board of Directors for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public issue or rights issue or preferential issue or qualified institutional placement, and making appropriate recommendations to the Board to take up steps in this matter;

- Reviewing and monitoring the auditor's independence and performance and effectiveness of audit process;
- Approval or any subsequent modification of transactions of your Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of your Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board of Directors;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as have post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in payments to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the whistle blower mechanism;
- Approval of appointment of the chief financial officer after assessing, the qualifications, experience and background, etc. of the candidate;
- To review the financial statements, in particular the investment made by unlisted subsidiary company;
- reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;
- consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and the shareholders and;
- To carry out such other functions as may be directed by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable; and
- To mandatorily review the following;
  - Management discussion and analysis of financial condition and results of operations;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;
  - Internal audit reports relating to internal control weaknesses; and
  - The appointment, removal and terms of remuneration of the internal auditors.
  - Statement of deviations:
    - (a) Quarterly statements of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
    - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).



**Meetings of the Audit Committee:**

Four (4) meetings of the Audit Committee were held during the Financial year, i.e. on May 26, 2023, August 09, 2023, November 08, 2023 and January 23, 2024, necessary quorum was present at all the meetings.

The details of committee meetings attended by the committee members are given below:

Sr. No.	Name of Member	Category	No. of Meetings held	No. of Meetings attended
1.	Mr. Shriram Surajmal Khandelwal	Non-Executive Independent Director	4	4
2.	Mr. Sanjay Khandelwal	Non-Executive Independent Director	4	4
3.	Mr. Rakesh Mehta	Non-Executive Independent Director	4	4
4.	Mr. Sampath Kumar Kangeyam Venkatakrishnan	Non-Executive Independent Director	NA	NA

**Note:** Mr. Shriram Surajmal Khandelwal, Chairman of the Audit Committee, was present at the previous Annual General Meeting held on September 27, 2023.

The meetings of the Audit Committee are usually attended by the Chief Financial Officer, the Company Secretary and Statutory Auditors. The Business Operation Heads are invited to the Meetings, as and when required.

**ii) Stakeholders Relationship Committee:**

The Stakeholders Relationship Committee (SRC) comprises of one (1) Non-Executive Non-Independent Director and Two (2) Non-Executive Independent Directors. The same is as under:

Sr. No.	Name	Category	Designation in the Committee
1	Mrs. Anju Khandelwal	Non-Executive Non- Independent Director	Chairperson
2	Mr. Sanjay Khandelwal	Non-Executive Independent Director	Member
3	Mr. Rakesh Mehta	Non-Executive Independent Director	Member

The Committee's composition and terms of reference is in accordance with the requirements of Regulation 20 read with Part D of Schedule II of the Listing Regulations and provisions of the Act. The Company Secretary acts as the secretary to the Committee.

**Terms of reference of Stakeholders Relationship Committee:**

- To look into the redressal of grievances of shareholders and other security holders, including complaints related to transfer of shares, non-receipt of annual report, non-receipt of declared dividends;
- To oversee the performance of the Registrars & Transfer Agents of your Company;
- To monitor the implementation and compliance with your Company's Code of Conduct for Prohibition of Insider Trading in pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 2015;
- To carry out such other functions as may be directed by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable; and
- To perform such other functions as may be necessary or appropriate for the performance of its duties.
- Stakeholders Relationship Committee members shall be appraised on any request from shareholders asking for annual report or any investor grievance.
- Resolving the grievances of the security holders of your Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.

- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants /annual reports/ statutory notices by the shareholders of your company.

**Meetings of the Stakeholders Relationship Committee:**

Four (4) meetings of the Stakeholders Relationship Committee were held during the year, i.e. on May 26, 2023, August 09, 2023, November 08, 2023 and January 23, 2024. Necessary quorum was present at all the meetings.

The details of committee meetings attended by the committee members are given below:

Sr. No.	Name of Member	Category	No. of Meetings held	No. of Meetings attended
1.	Mrs. Anju Khandelwal	Non-Executive Non-Independent Director	4	4
2.	Mr. Sanjay Khandelwal	Non-Executive Independent Director	4	4
3.	Mr. Rakesh Mehta	Non-Executive Independent Director	4	4

**Note:** Mrs. Anju Khandelwal, Chairperson of the Stakeholders Relationship Committee, was present at the previous Annual General Meeting held on September 27, 2023.

The status of Shareholders' complaints received upto March 31, 2024 is as stated below:

No. of Complaints received during the financial year ended March 31, 2024	4
No. of Complaints not solved to the satisfaction of shareholders	Nil
No of Complaints pending as on March 31, 2024	Nil

**SEBI Complaints Redress System (SCORES)**

The Securities and Exchange Board of India ("SEBI") administers a centralised web based complaints redress system ("SCORES"). It enables investors to lodge and follow up complaints and track the status of redressal online on the website at <https://scores.sebi.gov.in>. It also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal of such complaints. All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. Your Company has registered itself on SCORES and endeavors to resolve all investor complaints received through SCORES.

All complaints have been redressed to the satisfaction of the shareholders and none of them were pending as on March 31, 2024.

**SMART ODR**

The Securities and Exchange Board of India (SEBI) has released a significant master circular on July 31, 2023, aimed at enhancing the resolution of disputes within the Indian securities market. This circular introduces a comprehensive framework for Online Dispute Resolution (ODR) to streamline the resolution process and protect the interests of investors, companies and intermediaries. The framework encompasses various stakeholders, including Recognised Stock Exchanges, Clearing Corporations, Depositories, Stockbrokers, Depository Participants, Listed Companies, and SEBI Registered Intermediaries. The circular emphasizes the usage of online conciliation and arbitration mechanisms, offering investors and market participants an efficient way to resolve disputes. Your Company has registered itself on ODR portal and endeavours to resolve all complaints.

No queries/complaints were received by your Company from investors/clients, during the financial year ended on March 31, 2024.

**iii) Nomination & Remuneration Committee:**

The Nomination & Remuneration Committee comprises of three (3) Non-Executive Independent Directors as on March 31, 2024. The same is as under:

Sr. No.	Name	Category	Designation in the Committee
1	Mr. Sanjay Khandelwal	Non-Executive Independent Director	Chairman
2	Mr. Sampath Kumar Kangeyam Venkatakrishnan	Non-Executive Independent Director	Member
3	Mr. Rakesh Mehta	Non-Executive Independent Director	Member

**Note:** During the year under review, the Board of Directors of your Company at their meeting held on January 23, 2024 re-constituted the Nomination & Remuneration Committee with effect from March 31, 2024, wherein Mr. Shriram Surajmal Khandelwal ceased to act as a Chairman & Member of the Nomination & Remuneration Committee, Mr. Sanjay Khandelwal was designated as a Chairman of the Nomination & Remuneration Committee and Mr. Sampath Kumar Kangeyam Venkatakrishnan was appointed as a Member of the Nomination & Remuneration Committee.

The Committee's composition and terms of reference is in accordance with the requirements of Regulation 19 read with Part D of Schedule II of the Listing Regulations and Section 178 of the Act.

**Terms of reference of Nomination and Remuneration Committee:**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.
- The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
  - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run your company successfully;
  - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - 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 your company and its goals:
- For every appointment of an independent director, committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
  - use the services of an external agencies, if required;
  - consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - consider the time commitments of the candidates
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- Formulation of criteria for evaluation of performance of Independent Directors and Board of Directors and specify the manner for effective evaluation of performance of the Board, its committee and individual directors, to be carried out either by the Board or by the committee or by an independent external agency and review its implementation and compliance.

- To decide whether to extend or continue the term of appointment of independent director on the basis of the report of performance evaluation of independent directors.
- Devising a policy on Board diversity.
- Recommendation to the board all remuneration, in whatever form, to be paid to senior management.

**Meetings of the Nomination and remuneration Committee:**

Three (3) meetings of the Nomination and Remuneration Committee were held during the year on May 26, 2023, August 09, 2023 and January 23, 2024. Necessary quorum was present at the meeting.

The details of committee meetings attended by the committee members are given below:

Sr. No.	Name of Member	Category	No. of Meetings held	No. of Meetings attended
1.	Mr. Shriram Surajmal Khandelwal	Non-Executive Independent Director	3	3
2.	Mr. Sanjay Khandelwal	Non-Executive Independent Director	3	3
3.	Mr. Rakesh Mehta	Non-Executive Independent Director	3	3
4.	Mr. Sampath Kumar Kangeyam Venkatakrishnan	Non-Executive Independent Director	NA	NA

**Performance Evaluation Criteria of Independent Directors:**

- Understanding of nature and role of independent directors' position;
- Active engagement with the Management and attentiveness to progress of decisions taken;
- Driving any function or identified initiative based on domain knowledge and experience;
- Proactive, strategic and lateral thinking.

**The Nomination and Remuneration Policy:**

The success of the organization in achieving good performance and good governing practice depends on its ability to attract and retain individuals with requisite knowledge and excellence as Executive, Non-Executive Directors, Key Managerial Personnel and Senior Management Personnel. With this objective, the Board and the Nomination and Remuneration Committee decides on the appointment and remuneration to be paid to the Executive, Non-Executive Directors, Key Managerial Personnel and Senior Management Personnel.

The Nomination and Remuneration policy of your Company which lays down the criteria for determining qualifications, competencies, positive attributes and independence for appointment of Directors and relating to remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and other employees is available on your Company's website at <https://www.systematixgroup.in/impdocuments/Policy-nomination-remuneration.pdf>

**Remuneration of Executive Directors:**

All Executive Director(s) receive salary. Payment of remuneration to the Executive Director is governed by a resolution approved by the shareholders of your Company.

The remuneration paid to the Executive Director during the period ended March 31, 2024, is as follows:

(₹ in Lakh)		
Name of Directors	Salaries (in ₹)	Total
Mr. Nikhil Khandelwal	30.00	26.66
Mrs. Priyanka Khandelwal	12.00	12.00

**Remuneration to non-executive directors:**

There were no pecuniary relationships or transactions of Non-Executive Directors with your Company during the year under review. Your Company had paid sitting fees to Non-Executive Independent Directors for attending Board and Committee meetings.

The sitting fees paid to Non – Executive Director during the period ended March 31, 2024, is as follows:

(₹ in Lakh)

Name of Directors	Sitting Fees (in ₹)	Total (in ₹)
Mrs. Anju Khandelwal	2.40	2.40
Mr. Shriram Surajmal Khandelwal	2.70	2.70
Mr. Sanjay Khandelwal	3.10	3.10
Mr. Rakesh Mehta	3.10	3.10
Mr. Sampath Kumar Kangeyam Venkatakrishnan	0.50	0.50

**Details of fixed component and performance linked incentives, service contracts, Notice Period and Severance Fees, stock option:** Not Applicable

**iv) Corporate Social Responsibility Committee**

Pursuant to Section 135 (9) of the Companies Act, 2013, where the amount to be spent by a Company towards Corporate Social Responsibility (“CSR”) does not exceed fifty lakh rupees, the requirement for constitution of the CSR Committee shall not be applicable and the functions of such Committee, be discharged by the Board of Directors of Company. Accordingly, amount to be spent by your Company in the FY 2023-2024 being less than fifty lakh rupees, the Board of your Company in its meeting held on January 23, 2024 dissolved the CSR Committee.

**3. SENIOR MANAGEMENT:**

In terms of Regulation 16(1) (d) of SEBI Listing Regulation, the following are the Senior Management person as on March 31, 2024.

Sr. No.	Name of the Senior Management	Designation
1.	Mr. Dhananjay Sinha	Director and Co-Head - Institutional Equities
2.	Mr. Vipul Sanghvi	Director and Co-Head - Institutional Equities
3.	Mr. Ankur Rajoria	Director - Investment Banking
4.	Mr. Amit Kumar	Director & Head - Merchant Banking
5.	Mr. Anil Bhagchandani	Chief Financial Officer
6.	Mr. Divyesh Badiyani	Company Secretary & Compliance Officer,

**Particulars of changes in Senior Management during the financial year ended March 31, 2024.**

Sr. No.	Name of the Senior Management	Designation	Description of change (Appointment/Resignation)	Effective date
1.	Ms. Rupal Narvekar	Company Secretary & Compliance Officer	Resignation	April 21, 2023
2.	Mr. Divyesh Badiyani	Company Secretary & Compliance Officer	Appointment	May 26, 2023

**4. DETAILS ON GENERAL BODY MEETINGS:**
**i) Date, Time and Venue for the last three Annual General Meetings held:**

Financial years	Dates	Time	Venue	Special Resolution Passed
2023-2024	27.09.2023	11.00 A.M.	Through Video Conferencing	i. To appoint Mr. Sampath Kumar Kangeyam Venkatakrishnan (DIN: 10295069) as an Independent Director of your Company.
2022-2023	29.09.2022	11.00 A.M.	Through Video Conferencing	i. To re-appoint Mr. Rakesh Mehta (DIN: 03203106) as an Independent Director of your Company. ii. To appoint Mrs. Priyanka Khandelwal (DIN: 01878267) as a Whole Time Director of your Company. iii. To increase the overall managerial remuneration of Mr. Nikhil Khandelwal, Managing Director of your Company. iv. To alter Articles of Association of your Company with respect to removal of Common Seal clause.
2021-2022	28.09.2021	11.00 A.M.	Through Video Conferencing	i. To increase the overall managerial remuneration of Mr. Chandra Prakash Khandelwal, Managing Director of your Company. ii. To re-appoint Mr. Nikhil Khandelwal as a Managing Director of your Company.

**ii) Details of Special Resolutions passed through Postal Ballot**

No Special Resolution was passed by your Company last year through Postal Ballot. No Special Resolution is proposed to be passed through Postal Ballot as on the date of this Integrated Annual Report.

**5. MEANS OF COMMUNICATION:**
**Modes of Communication:**

Your Company, from time to time and as may be required, communicates with its Shareholders and Investors through multiple channels of communication including the following:

- Dissemination of information on the website of the Stock Exchanges;
- Annual reports;
- Uploading relevant information on your Company's website; and
- General Meeting.
- Newspaper Publication.

**i) Financial results:**

The quarterly, half-yearly and annual financial results of your Company are published in the newspapers, namely Free Press Journal (Indore Edition & Mumbai Edition) and Choutha Sansar (Indore Edition). At the same time, the results are also displayed on the website of your Company at [www.systematixgroup.in/investor-relations](http://www.systematixgroup.in/investor-relations)

**ii) Website:**

Your Company's website [www.systematixgroup.in](http://www.systematixgroup.in) contains dedicated section <https://www.systematixgroup.in/investor-relations> where annual reports, stock exchange filings, quarterly reports, corporate governance policies and other shareholder information's are available.

**iii) Annual Report:**

Pursuant to the MCA Circulars and SEBI Circulars, the Annual Report containing Auditors Report, Audited Standalone and Consolidated Financial Statements together with Board's Report, Corporate Governance Report, Management Discussion and Analysis Report, and other important information along with Notice of AGM are circulated to the Members entitled thereto through permitted mode(s).

The Annual Report is available on the website of your Company at [www.systematixgroup.in/investor-relations](http://www.systematixgroup.in/investor-relations).

**iv) Disclosures:**

Your Company informs BSE Limited ("BSE") about all price sensitive matters or such other matters which in its opinion are material and of relevance to the Members of your Company and the same is available on the website of your Company. Further, in compliance to the provisions of Regulation 30 of the Listing Regulations, your Company has disclosed on its website, a duly approved Policy on Determination of Materiality of Events.

All periodical compliance filings like shareholding pattern, corporate governance report, among others are filed electronically on the BSE Listing Centre.

**6. GENERAL SHAREHOLDERS INFORMATION:**

Company Registration Details:

Your Company is registered in the State of Madhya Pradesh, India. The Corporate Identity Number (CIN) allotted to your Company by the Ministry of Corporate Affairs (MCA) is L91990MP1985PLC002969

<b><u>Annual General Meeting</u></b> Day, Date, Time & venue	Thursday, September 26, 2024 at 11.00 a.m. through Video Conferencing (VC)/ Other Audio Video Means (OAVM)
<b><u>Financial year:</u></b>	April 1, 2023 to March 31, 2024
<b><u>Book Closure Date:</u></b>	September 20, 2024 to September 26, 2024 (both days inclusive) for the purpose of Annual General Meeting.
<b><u>Cut-off Date:</u></b>	Thursday, September 19, 2024
<b><u>Dividend Payment Date:</u></b>	On or after September 26, 2024
<b><u>Listed on Stock Exchanges:</u></b>	BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001
<b><u>Stock Code / Symbol:</u></b>	BSE: 526506
<b><u>Payment of Listing Fee:</u></b>	The annual Listing Fees for the year 2024-25 has been paid to the concerned Stock Exchange.
<b><u>Payment of Annual Custodial Fees :</u></b>	Your Company has also paid the Annual Custodial fees to both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).
<b><u>In case securities are suspended from trading, the directors report shall explain the reason thereof:</u></b>	N.A.
<b><u>Financial Calendar 2024-25 (Tentative):</u></b>	First Quarter: June 30, 2024 - on or before August 14, 2024 Second Quarter: September 30, 2024 - on or before November 14, 2024 Third Quarter: December 31, 2024 - on or before February 14, 2025 Fourth Quarter: March 31, 2025 - on or before May 30, 2025
<b><u>Share Transfer Agents :</u></b>	<b>CAMEO CORPORATE SERVICES LIMITED</b> Subramanian Building, No.1, Club House Road, Chennai – 600002, Tamil Nadu Tel No. : 044-40020700 Online Investor Portal : <a href="https://wisdom.cameoindia.com/">https://wisdom.cameoindia.com/</a> Web : <a href="http://www.cameoindia.com">www.cameoindia.com</a> <b>Contact Person : Mr. P. Muralidharan, Manager</b>



**Share transfer system:**

In terms of the SEBI Listing Regulations, securities of the Company can only be transferred in dematerialized form. Further, SEBI vide its Circular dated January 24, 2022, mandated all the listed companies to issue securities in dematerialised form only, while processing the service request for issue of duplicate securities certificates, renewal/exchange of securities certificate, claim from Unclaimed Suspense Account, endorsement, sub-division/ splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

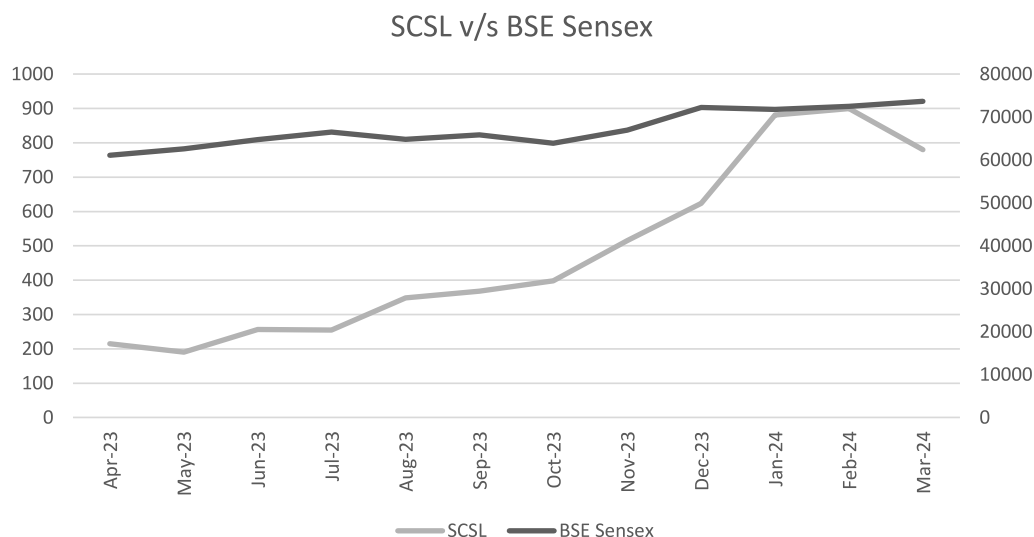
In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact your Company or your Company's Registrar and Transfer Agent ('RTA'), for assistance in this regard. Also, share transactions in electronic form can be effected in a much simpler and faster manner. Shareholders should communicate with the RTA, quoting their folio number or Depository Participant ID ('DPID') and Client ID number, for any queries on their securities holding.

**Stock Market Price Data:**

(All Prices are in Rupees)

Month	Company's Share price on BSE			BSE Sensex	
	High Price	Low Price	Turnover	High	Low
April 2023	234.00	182.70	16,91,948	61,209.46	58,793.08
May 2023	220.00	188.05	10,34,907	63,036.12	61,002.17
June 2023	263.40	181.00	1,76,26,542	64,768.58	62,359.14
July 2023	260.00	226.70	8,67,63,290	67,619.17	64,836.16
August 2023	388.00	230.00	4,00,55,173	66,658.12	64,723.63
September 2023	380.00	343.50	39,97,036	67,927.23	64,818.37
October 2023	402.00	355.10	16,38,78,903	66,592.16	63,092.98
November 2023	515.00	385.10	10,01,94,324	67,069.89	63,550.46
December 2023	628.00	456.50	25,97,04,320	72,484.34	67,149.07
January 2024	881.00	624.10	16,36,15,492	73,427.59	70,001.60
February 2024	913.00	840.50	4,76,07,434	73,413.93	70,809.84
March 2024	924.00	690.00	11,94,45,187	74,245.17	71,674.42

**The performance of your company's shares relative to the BSE –Sensex index is given in the chart below:**



**Distribution of Shareholding as on March 31, 2024:**

Shareholding of Nominal Value (₹)	No. of shareholders	% To Total Holder	No. of equity shares	% of Shareholding
10 - 5,000	1532	83.90	236719	1.82
5,001 – 10,000	120	6.57	96218	0.74
10,001 – 20,000	58	3.17	88885	0.68
20,001 – 30,000	36	1.97	94128	0.73
30,001 – 40,000	18	0.99	65149	0.50
40,001 – 50,000	9	0.49	42822	0.33
50,001 – 1,00,000	18	0.99	126129	0.97
1,00,001 and Above	35	1.92	12230208	94.22
<b>Total</b>	<b>1826</b>	<b>100.00</b>	<b>12,980,258</b>	<b>100.00</b>

**Shareholding Pattern:**

Table below gives the pattern of shareholding by ownership and Share Class respectively:

**Pattern of shareholding as on March 31, 2024:**

Category	No. of equity shares held	% of shareholding
Promoters & Promoters Group	96,34,669	74.23
Resident - Ordinary	25,23,115	19.44
NRI - Repatriable	1,27,212	0.97
NRI - Non Repatriable	1,220	0.01
Bodies Corporate	6,65,691	5.13
Resident - HUF	19,551	0.15
Relatives of promoters - other than immediate relative	8,800	0.07
<b>Total</b>	<b>12,980,258</b>	<b>100.00</b>

**Dematerialization of shares and liquidity:**

The equity shares of your Company are liquid and traded on BSE Limited. Your Company has executed agreement with both the depositories i.e. National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for admission of its securities in dematerialized mode. The International Securities Identification Number (ISIN) allotted to the Equity Shares of your Company is INE356B01016. All requests for dematerialization of shares are processed and the confirmation is given to the Depositories i.e. NSDL & CDSL within the stipulated time.

As on March 31, 2024, Dematerialized shares accounted for 96.37% of the total equity. Break-up of shares held in physical and dematerialised form as on March 31, 2024 is as follows:

Particulars	No. of Equity Shares	% to Share Capital
NSDL	8,81,953	6.79%
CDSL	11,628,312	89.58%
Physical	4,69,993	3.62%
<b>TOTAL</b>	<b>1,29,80,258</b>	<b>100.00</b>

<b><u>Outstanding global depository receipts or American depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity:</u></b>	Your Company has not issued any ADRs/GDRs/ Warrants or any Convertible instrument
<b><u>Commodity Price Risk or Foreign Exchange Risk and Hedging activities:</u></b>	<p>Your Company is engaged in Merchant Banking activities; therefore it is not exposed to any Commodity Price Risk, thus it is not required to hedge the Commodity Price Risk</p> <p>Your Company is not exposed to Foreign Exchange Risk and accordingly, it is not required to hedge the Foreign Exchange Risk.</p>
<b><u>Plant Location</u></b>	Not Applicable since your Company is engaged in Merchant Banking activities
<b><u>Correspondence Address for Investor:</u></b>	<p><b>CAMEO CORPORATE SERVICES LIMITED</b>  Subramanian Building, No.1,  Club House Road, Chennai – 600002, Tamil Nadu  Tel No. : 044-40020700  Online Investor Portal : <a href="https://wisdom.cameoindia.com/">https://wisdom.cameoindia.com/</a>  Web : <a href="http://www.cameoindia.com">www.cameoindia.com</a></p> <p><b>Contact Person : Mr. P. Muralidharan, Manager</b>  Secretarial Department,  <b>SYSTEMATIX CORPORATE SERVICES LIMITED</b>  “The Capital”, ‘A’ Wing, 6<sup>th</sup> Floor, No. 603-606,  Plot No. C-70, ‘G’ Block, Bandra-Kurla Complex,  Bandra (East), Mumbai – 400 051  Tel No.: +91-22-6619 8000/ 4035 8000;  E-mail: <a href="mailto:secretarial@systematixgroup.in">secretarial@systematixgroup.in</a></p> <p><b>Contact person: Mr. Divyesh Badiyani, Company Secretary &amp; Compliance Officer</b></p>
<b><u>Credit Ratings obtained during the Year:</u></b>	Your Company was not required to obtain any credit rating during the financial year 2023-24.

## 7. **DISCLOSURES:**

### i) **Related Party Transaction:**

Your Company's related party transactions are mainly with its subsidiaries and group companies. All the contracts/ arrangements/ transactions entered by your Company during the current financial year with related parties were in the ordinary course of business and at an arms' length basis. There are no materially significant related party transactions made by your Company with Promoters, Directors, Key Managerial Personnel or other Designated Persons which may have a potential conflict with the interest of your Company at large.

As required under Regulation 23 of the Listing Regulations, your Company has adopted a policy on Related Party Transactions. The policy on Related Party Transactions is available on the website of your Company at <https://www.systematixgroup.in/impdocuments/Policy-materiality-and-dealing-with-RPT.pdf>

The Register under Section 189 of the Act is maintained and particulars of the transactions have been entered in the Register, wherever applicable and the same is placed before the Board and Audit Committee regularly.

### ii) **Statutory Compliance, Penalties and Strictures:**

There have been no instances of non-compliances by your Company on any matter related to the capital markets and no penalties and/ or strictures have been imposed on it by the stock exchanges or by the SEBI or by any statutory authority on any matter related to the capital markets during the last three financial years.

### iii) **Whistle Blower Policy:**

Pursuant to the provisions of Section 177(9) of the Act read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 and Regulation 22 of the Listing Regulations, your Company has framed Vigil Mechanism/ Whistle Blower Policy ("Policy") to enable directors and employees to report genuine concerns or

grievances, significant deviations from key management policies and report any non-compliance and wrong practices, e.g., unethical behavior, fraud, violation of law, inappropriate behavior/ conduct etc.

The functioning of the Vigil Mechanism is reviewed by the Audit Committee from time to time. None of the Directors or employees have been denied access to the Audit Committee of the Board. The objective of this mechanism is to maintain a redressal system which can process all complaints concerning questionable accounting practices, internal controls, or fraudulent reporting of financial information.

The Policy framed by your Company is in compliance with the requirements of the Act & Listing Regulations and is available on the website of your Company at <https://www.systematixgroup.in/impdocuments/Policy-vigil-mechanism-whistleblower.pdf>

**iv) Compliance with Mandatory Requirements**

Your Company has complied with all the mandatory requirements of the Listing Regulations

**v) Compliance with Non-Mandatory Requirements**

Your Company has complied with the following non-mandatory requirements as prescribed in Regulation 27 Schedule II Part E of the Listing Regulations:

**Modified Opinion in Auditors Report:** The Statutory Auditor's report on financial statements for the FY 2023-24 does not contain any modified opinion. Your Company continues to adopt best practices to ensure regime of the financial statements with unmodified audit qualifications.

**Reporting of Internal Auditors:** The Internal Auditors reports to the Audit Committee.

**vi) Details of utilization of funds raised through preferential allotment or qualified institutional placement as specified under Regulation 32(7A):**

During the year under review, your Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32(7A).

**vii) Certificate from Company Secretary in Practice on non-disqualification of Directors:**

A certificate that none of the Directors of your Company have been debarred or disqualified from being appointed or continuing as director of your Company by the SEBI or Ministry of Corporate Affairs or any such other Statutory Authority issued by M/s Kothari H. & Associates Practising Company Secretaries, is attached as "Annexure I" which forms part of this report.

**viii) Recommendations of the Committees:**

All decisions and recommendations of the Committees are placed before the Board for information or approval. During the financial year, the Board has accepted the recommendations of Committees on matters where such a recommendation is mandatorily required. There have been no instances where such recommendations have not been considered.

**ix) Fees to Statutory Auditors:**

The details of total fees for all services, paid by your Company and its subsidiaries to Statutory Auditors are as follows:

(₹ in Lakh)

Particulars	By your Company (₹)	By the Subsidiaries (₹)	Total Amount (₹)
Statutory Audit	1.50	11.92	13.42
Other Services	-	-	-
Out of expenses	-	-	-
<b>Total</b>	<b>1.50</b>	<b>11.92</b>	<b>13.42</b>

**x) Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013:**

Your Company has a Policy on Prevention of Sexual Harassment of Women at Workplace. The details of number of complaints filed and resolved during the year is as follows:

Number of complaints filed during the financial year	Number of complaints disposed off during the financial year	Number of complaints pending as on end of the financial year
Nil	Nil	Nil

**xi) Disclosure of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':**

Loans and advances forms part of the related party disclosures in the notes to the financial statements for the financial year ended March 31, 2024.

**xii) Details of Material Subsidiary:**

According to the Regulation 16(1)(c) of the Listing Regulations, a "Material Subsidiary" shall mean a subsidiary, whose income or net worth exceeds 10% of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year.

Your Company has three material subsidiaries namely M/s. Systematix Shares and Stocks (India) Limited, M/s. Systematix Fincorp India Limited and M/s. Systematix Finvest Private Limited as on March 31, 2024.

Details of material subsidiaries of your Company as required under Schedule V of the Listing Regulations is as follows:

Name of Material Subsidiaries	Details of Incorporation		Details of Statutory Auditors	
	Place	Date	Name	Date of appointment
M/s. Systematix Shares and Stocks (India) Limited	Madras*	May 8, 1998	M/s. Shah & Taparia, Chartered Accountants	September 26, 2022
M/s. Systematix Fincorp India Limited	Jaipur*	August 24, 1995	M/s. Shah & Taparia, Chartered Accountants	September 26, 2022
M/s. Systematix Finvest Private Limited	Mumbai	May 18, 1995	M/s. Shah & Taparia, Chartered Accountants	September 26, 2022

\*As on March 31, 2024, the registered office of your Company is located at Mumbai

As required under the Listing Regulations, your Company has formulated policy for determining material subsidiaries and is available on the website of your Company at <https://www.systematixgroup.in/impdocuments/Policy-determining-material-subsidiary.pdf>

**xiii) Non-Compliance of any requirement of Corporate Governance Report of sub-paras (2) to (10), with reasons thereof:**

There have been no instances of non-compliance of any requirements of the Corporate Governance as prescribed by the Listing Regulations.

**xiv) The disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 shall be made in the section on Corporate Governance of the Annual Report:**

Your Company has complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations and paras (2) to (10) mentioned in part 'C' of Schedule V of the Listing Regulations during the year under review.

**xv) Unpaid / Unclaimed Dividends as on 31st March 2024.**

Your Company had declared a final dividend of ₹ 1 per share on 1,29,80,258 equity shares of ₹ 10 each for the financial year ended March 31, 2022. Unclaimed Dividends was transferred to the Unpaid Dividend Account, in accordance with the Act.

The balance in the Unpaid Equity Dividend FY 2021-22 of your Company as on March 31, 2024 is ₹ 4,30,021/-.

**xvi) Investor Education and Protection Fund:**

In accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends of a company which remain unpaid or unclaimed for a period of seven consecutive years from the date of transfer to the Unpaid Dividend

Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF"). In terms of the foregoing provisions of the Act, no dividend amount or shares were required to be transferred to the IEPF by your Company during the year ended March 31, 2024.

**xvii) Disclosure of Certain Types of Agreement binding Listed Company as per Clause 5A Para A Part A of Schedule III of SEBI Listing Regulations:**

There are no such agreements which bind Listed Company as per Clause 5A Para A Part A of Schedule III of SEBI Listing Regulations.

**8. DECLARATION ON AFFIRMATION WITH THE CODE OF CONDUCT:**

The Board of Directors has laid down a Code of Conduct, which is applicable to all Directors and Senior Management personnel of your Company. The Code is available on the website of your Company at [https://www.systematixgroup.in/cms/ResearchReport/SCSL\\_Code%20of%20Conduct%20for%20Directors%20and%20Members%20of%20Senior%20Management.pdf](https://www.systematixgroup.in/cms/ResearchReport/SCSL_Code%20of%20Conduct%20for%20Directors%20and%20Members%20of%20Senior%20Management.pdf)

All Board Members and Senior Management Executives have affirmed compliance with the Code of Conduct for the Financial Year 2023-24. The annual declaration signed by Managing Director, stating that the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct, in accordance with Regulation 26(3) read with Para D of Schedule V of the Listing Regulations is attached as "**Annexure-II**" to this Report.

**9. CERTIFICATE ON CORPORATE GOVERNANCE:**

A certificate issued by M/s Kothari H. & Associates, Practising Company Secretaries, regarding compliance of conditions of Corporate Governance as stipulated under the Listing Regulations is attached as "**Annexure III**" which forms part of this report.

**10. CEO / CFO CERTIFICATION:**

The Managing Director and Chief Financial Officer of your Company provide annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. The Managing Director and Chief Financial Officer also provide quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33(2) of the Listing Regulations. The annual certificate given by the Managing Director and Chief Financial Officer is attached as "**Annexure-IV**" to this Report.

**11. CODE OF CONDUCT FOR INSIDER TRADING:**

Your Company has adequate Code of Conduct for Prevention of Insider Trading to regulate, monitor and report trading by insiders, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

Your Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is available on the website of your Company at <https://www.systematixgroup.in/investor-relations>

**12. CODE OF PRACTICES AND PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE**

Your Company has adopted a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('UPSI') with a view to facilitate prompt, uniform and universal dissemination of UPSI. The Code also includes Policy for determination of 'legitimate purpose'. Your Company has also adopted policy and procedure for inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information. The Code is available on the website of your Company at <https://www.systematixgroup.in/investor-relations>

**For and on behalf of the Board of Directors**

**Nikhil Khandelwal**  
**Chairman & Managing Director**  
**DIN: 00016387**

**Date : 09.08.2024**

**Place : Mumbai**

**Annexure - I**
**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

**(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)**

To,  
The Members of  
**SYSTEMATIX CORPORATE SERVICES LIMITED**  
206-207, Bansi Trade Centre, 581/5,  
M.G Road, Indore - 452001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **SYSTEMATIX CORPORATE SERVICES LIMITED** having **CIN L91990MP1985PLC002969** and having registered office at 206-207, Bansi Trade Centre, 581/5, M.G Road, Indore – 452001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March 2024 have been debarred or disqualified from being appointed or continuing as Directors of company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Anju Khandelwal	00474604	20/01/2003
2.	Nikhil Khandelwal	00016387	13/08/2018
3.	Priyanka Khandelwal	01878267	12/08/2022
4.	*Shriram Surajmal Khandelwal	06729564	30/05/2013
5.	Sanjay Lalchand Khandelwal	01592134	30/09/2014
6.	Rakesh Mehta	03203106	09/03/2018
7.	**Mr. Sampath Kumar Kangeyam Venkatakrishnan	10295069	29/08/2023

\* Mr. Shriram Surajmal Khandelwal (DIN: 06729564), completed his second and final term of 10 years as an Independent Director of the Company and consequently ceased to be a Director with effect from March 31, 2024.

\*\* Mr. Sampath Kumar Kangeyam Venkatakrishnan (DIN: 10295069) was appointed as an Additional Non-Executive Independent Director of the Company with effect from August 29, 2023 and subsequently his appointment was regularized in the Annual General Meeting held on September 27, 2023.

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **KOTHARI H. & ASSOCIATES**  
**Company Secretaries**  
**(Peer Review : 5312/2023)**

**Sonam Jain**  
Membership No. F9871  
Certificate of Practice No. 12402  
**UDIN: F009871F000941076**

**Place : Mumbai**  
**Date : 09.08.2024**



**Annexure - II**

**Declaration under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding adherence to the Code of Conduct**

I hereby confirm that the Company has obtained from all the members of the Board and senior management personnel, affirmation that they have complied with the Code of Conduct for directors and senior managerial personnel in respect of the financial year ended March 31, 2024.

**Nikhil Khandelwal**  
Chairman & Managing Director  
**DIN: 00016387**

**Date** : 09.08.2024

**Place** : Mumbai

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Board of Directors  
**SYSTEMATIX CORPORATE SERVICES LIMITED**

We have examined the compliance of conditions of Corporate Governance of SYSTEMATIX CORPORATE SERVICES LIMITED ("the Company"), for the year ended 31<sup>st</sup> March, 2024, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations").

**MANAGEMENT'S RESPONSIBILITY FOR THE STATEMENT**

The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the management of the Company including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance as stipulated in the Listing Regulations.

**AUDITOR'S RESPONSIBILITY**

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

Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31<sup>st</sup> March 2024.

**OPINION**

Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2024.

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

**RESTRICTION ON USE**

The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

**For Kothari H. & Associates**  
**Company Secretaries**

**Sonam Jain**  
**Partner**  
Mem No. F9871  
C O P. No. 12402

**(Peer review Certificate No: 5312/2023)**  
**UDIN: F009871F000941395**

**MD & CFO Certification****Date: May 10, 2024**

The Board of Directors,  
**Systematix Corporate Services Limited**  
Mumbai

**Dear Sirs,**

It is hereby certified that:

- A. In connection with the financial statements placed before the Board for the year ended March 31, 2024 and that to the best of our knowledge and belief; we certify as follows:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) 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.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We will keep the auditors and the Audit committee informed about:
- (i) Significant changes in internal control over financial reporting during the year;
  - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

However there are no other matters to be brought to the notice of Auditor and Audit Committee for year ended March 31, 2024.

**For Systematix Corporate Services Limited**

**Nikhil Khandelwal**  
Chairman & Managing Director

**Anil Bhagchandani**  
Chief Financial Officer

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**
**A. OVERVIEW & OUTLOOK**

FY 24 was marked by momentum in the Indian economy maintaining our country's status as the fastest-growing major economy in the world. Key growth drivers included a strong manufacturing sector and increased infrastructure spending. The RBI's wait-and-watch stance on interest rates and close monitoring of inflation trends will be closely watched. Positive indicators such as increased government capex, a rising tax-to-GDP ratio, and strong foreign investment inflows present substantial opportunities.

FY 24 was also a landmark year for India as it assumed presidency of the world's highest profile global economic assembly, the G20, and showcased its economic powers and diplomatic finesse to the world.

- Indian economy remained resilient with robust 7.6% growth rate of GDP in FY 24 over and above 7% growth rate in FY 23. India has been a key growth engine for the world, contributing 16% to the global growth in FY 23.
- The International Monetary Fund (IMF) has raised India's growth forecast for 2024-25 to 6.8% from 6.5% on the back of strong domestic demand and a rising working age population. According to the PHD Chamber of Commerce and Industry (PHDCCI), India's economy is poised to grow between 8 to 8.3% in the current fiscal year emphasizing the country's robust growth fundamentals, projecting an average GDP growth rate of 6.7% over the next 23 years
- Double-digit growth rate of Construction Sector (10.7%), followed by a good growth rate of Manufacturing Sector (8.5%) have boosted the GDP growth in FY 24. Private consumption in the first half of FY 24 was the highest since FY 15 and this led to a boost to production activity resulting in enhanced capacity utilisation across sectors.
- The central government's fiscal deficit shrank from 6.4% of GDP in FY 22 to an estimated 5.8% in FY 23. Revenue performance exceeded expectations and pushed the deficit lower than the budget target of 5.9% of GDP in FY 23.
- Personal income tax collections are estimated to have grown by 23.0% in FY 23, highlighting surging incomes for salaried professional. This was also a sign of successful government effort to widen the tax base by keeping tax exemption limits stable and using digital tools to prevent tax leakage.
- Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY 24.
- Cumulative FDI Equity Inflow were estimated to be at US\$ 953.14 billion (from April 2000-September 2023). The share of the top investing countries in FDI Equity Inflow were- Mauritius (25%), Singapore (23%), the US (10%), Netherlands (7%), Japan (6%), the UK (5%), the UAE (3%), the Cayman Islands (2%), Germany (2%), and Cyprus (2%) (data from April 2000-September 2023).
- Key sectors attracting the Highest FDI equity inflow were Services Sector (16%), Computer Software & Hardware (15%), Trading (6%), Telecommunications (6%), Automobile (5%), Construction Activities (5%), Construction Development (4%), Drugs and Pharmaceuticals (3%), Chemicals (3%), and Metallurgical Industries (3%) (data from April 2000-September 2023).

**B. INDUSTRY STRUCTURE AND DEVELOPMENTS - CAPITAL MARKETS**

Indian capital markets continued their strong run during the year, with a broad-based rally in benchmark indices (Sensex up 25% and Nifty up 29%) and BSE Midcap (up 63%) and Small cap (up 60%). With structural multi-year drivers such as the financialization of savings and formalization of investment management and advisory, firmly in place, the future looks promising.

An evolving and proactive regulatory environment, coupled with a thriving technology ecosystem, provides ample opportunity for well-governed organisations to further fortify their stronghold in the sector. The continued low penetration of the financial services sector in India underscores the sector's vast potential for growth.

Primary markets saw a spate of Initial Public Offers (IPOs) in FY 24, raising more than INR 620 Billion (up 19% over FY 2022-23). Retail participation continued to rise with the addition of around 37 Million demat accounts during the year - the largest ever increase. The total number of demat accounts grew by 11.9% over the preceding year to 151.4 Million. Activity in derivative volumes too remained buoyant, with the monthly notional value of derivatives traded on Indian exchanges doubling to INR 8,737 Trillion in March 2024 over March 2023.

## 1. **Broking Industry and Our Business:**

### • **Broking Industry**

The stock broking market in India is a dynamic and evolving sector that facilitates the buying and selling of stocks and securities on behalf of investors. From traditional full-service brokers to modern discount brokers, the industry offers a variety of options to investors.

The Indian stock broking market is poised to reach INR 12,000 crore by 2025, exhibiting a robust Compound annual growth rate ("CAGR") of 12.6%. This growth is fueled by increasing investor participation and technological advancements.

A robust economy generally leads to increased investor participation in the securities markets. Regulations set by the Securities and Exchange Board of India (SEBI) govern the operations of brokerage firms, including licensing requirements, compliance standards, and investor protection measures. Changes in regulations can affect brokerage business models and profitability. Advancements in technology, such as online trading platforms, algorithmic trading and mobile trading apps have transformed the brokerage industry in India. Brokerage firms invest in technology infrastructure to offer innovative services and improve client experience. Competition among brokerage firms drives innovation, pricing strategies, and service offerings. Brokerage firms differentiate themselves based on factors such as brokerage rates, research capabilities, trading platforms, and customer service.

Efforts to educate investors about the securities markets and financial products influence investor behaviour and participation levels. Brokerage firms often play a role in investor education through seminars, workshops, and online resources. India's integration with global financial markets and participation in international investment activities influence the operations of brokerage firms. Cross-border investment opportunities, regulatory harmonization, and global market trends impact the strategies of Indian brokerage firms.

Overall, the security brokerage market in India is dynamic and influenced by a combination of economic, regulatory, technological, competitive, demographic, and global factors. Adapting to market dynamics and meeting client needs are key challenges and opportunities for brokerage firms operating in India.

### • **Our Broking Business**

Our PCG (Private Client Group) and Retail Broking businesses showed strong growth in FY24 with improving margin availability for our clients and strong capital markets volumes – thereby leading to improved market share of Systematix in the non-institutional brokerage business.

Our Institutional Broking business provides offerings in the forms of cash and derivatives to domestic and foreign institutions. We continued to acquire new empanelment and grew our active clients to over 220 in FY24. We witnessed strong improvement in domestic client rankings in several key accounts led by broad-based team servicing, high quality research product and strong execution across our trading desk. Our research product consists of 185+ companies covering 17 sectors. Our corporate access domain has always been a focus area with execution of successful events, especially Industry Specific Investor Conferences in India.

## 2. **Investment Banking & Merchant Banking Industry and Our Business:**

### • **Investment Banking & Merchant Banking Industry**

The FY24 was a great year for initial public offerings (IPOs) with 75 issues launched in the year, the highest in 2 years. A total of 75 firms raised Rs. 61,915 crore through main board IPOs during this period, up significantly from the Rs. 52,116 crore in FY23. The strong demand for equities, propelled by the increasing number of domestic investors, laid the foundation for heightened activity in the primary market.

The Indian startup ecosystem is going through a recovery phase, there have been larger funding rounds, an increase in the number of deals, a surge in secondary deals and ESOP buybacks, and a decline in layoffs.

Indian startups raised nearly USD 7 billion in funding during the H1 2024. This is more than the USD 5.92 billion raised in H1 2023. But it's also far less than USD 20 billion in H1 2022 which now seems like the golden phase for startups, at least in terms of venture capital inflow.

While the peaks of H1 2022 might take some time to be reached and crossed again, often following a cycle of 3-5 years, however the things are certainly improving fast. While stability in government helps in booming stock markets and can significantly impact startup funding.

Investors who realize gains from successful IPOs or market gains often reinvest these profits into startups, seeking potentially higher returns. Ironically, many firms that could barely get Venture Capital or Private Equity funding have managed IPOs in recent weeks, further underscoring the case for a correction in the stock markets or a diffusion of the bullishness to startup funding as well.

But while the markets will continue to value revenues and some profitability ideally, the real job of backing ideas and innovations will also benefit as multiple VCs, family offices and other investors return to the startup funding market to seed the next crop of startups.

- **Our Business:**

During FY24, we at Systematix were associated with several marquee transactions across listed and unlisted companies. We were advisors to one of India's largest Spices brands - Pushp – for a INR 1,000 million Private Equity Fund raise, the largest ODM for Lighting industry – RK Lighting – for a INR 1,300 million Private Equity fund raise, a leading Central India based Cancer Hospital – SRJ-CBCC - for a INR 500 million sell side transaction, besides several other private fund raise transactions. We were also Book Running Lead Manager (BRLM) to India's largest EV Charging Solutions Company – Exicom Power – for their INR 5,000 million IPO, besides handling over 3 preferential issues, 4 QIPs (including one of the largest private sector QIP in the country – INR 33,000 million for Swan Energy), 1 Open Offer and over 8 large block deals. We follow an expertise-led approach focusing on specific sub-segments of strength, where we have deep understanding of industries, including industry trends, corporate and investor relationships and execution track record. And hence our majority of transaction coverage is in sectors like Consumption, Healthcare, Industrials, Green Energy and Logistics / Supply Chain, with a strong focus on emerging trends in each of these industries. We continue to have rich pipeline across capital markets and advisory with the year FY2023 expected seeing us make significant strides in IPOs (Initial Public Offers) and QIP (Qualified Institutional Placement) transactions.

### **3. Wealth Management Industry and Our Business:**

- **Wealth Management Business**

The robust performance of the Indian equity market, especially post-pandemic, has catalysed a substantial increase in equity investments. This is evidenced by the dramatic rise in the number of Demat accounts— from 2.5 Crores in 2015 to 14.4 Crores in 2023—and a significant increase in equity mutual fund folios, which doubled from 2019 to 2024 to reach 12 Crores. These figures underscore a growing enthusiasm for equity investments among Indian investors.

As of December 2023, the top five cities—Mumbai, Delhi, Bengaluru, Pune, and Kolkata—accounted for about 53% of the Assets Under Management (AUM) of mutual funds in India. Notably, Mumbai and Delhi alone made up approximately 40% of the total AUM. This concentration highlights the significant role these urban centres play in the country's investment landscape.

However, there is a shifting trend in investment preferences among retail investors, particularly noted in the B30 cities i.e. towns and cities that are classified beyond the top 30 urban areas by market potential. With rising income levels and the growth of an affluent middle class, there is a noticeable shift from the traditional preference for physical assets like real estate and gold to equities and other financial securities

In response to these changing investor preferences, wealth managers are rethinking their strategies. The focus is expanding from merely growing financial assets to providing holistic financial planning services that cater to individual goals. This shift requires a more detailed understanding of the clients' personal aspirations, risk tolerance, and life stages.

Modern investors are increasingly adopting a targeted approach to financial planning, which aligns investment strategies with specific personal and financial objectives. This trend marks a shift from traditional investment goals that primarily focussed on wealth maximisation. Today's investors have a broad spectrum of short-term and long-term goals, ranging from immediate purchases like the latest smartphone or a holiday trip, to significant life events such as funding a child's education or planning for retirement.

- **Our Wealth Management Business:**

We at Systematix have been consistently adding clients in the Wealth Management business, thereby steadily growing our assets while also growing our fee pool. As on March 31st 2024, we have more 1600 clients in our Wealth Management business, with AUM of over INR 420cr.

Systematix is also steadily growing its PMS (Portfolio Management) business which has been amongst top quartile PMS in the country as on March 31st 2024.

## **C. OUTLOOK FOR 2025**

### **Broking Industry:**

The future outlook for the Indian stock broking industry remains promising, driven by several key factors. According to a report, the industry is expected to grow at a CAGR of around 15-20% over the next few years, fueled by increasing financial literacy, the expansion of the investor base, and the adoption of digital trading platforms.

Trading volumes and number of contracts traded daily on Exchanges are nearly 100x more than they used to be a few years ago. The last 3 years have seen an unprecedented jump in the investor base. Factors such as COVID-19, internet and mobile penetration, growing awareness about trading and investing in stock markets, and IPOs have contributed to this growth.

Around 4% of the population holds demat accounts based on unique PAN, however, the number is over 120 million otherwise. With increasing awareness, we believe the number can surpass 250 million by 2030.

### **Investment Banking & Merchant Banking:**

Investment banks are likely to adapt by leveraging technology, focusing on niche sectors, and integrating sustainability considerations into their practices. The industry is expected to remain relevant in channelling capital towards productive investments and facilitating economic growth.

Investment banking appears to have a promising future and is expanding in the correct direction. The system has ensured that, despite the rupee's recent considerable decline versus the dollar, the market is functioning smoothly and that all other matters are correctly managed. Higher client returns are anticipated in the sector shortly, but business model changes are likely.

The Introduction of the Social Stock Exchange is likely to boost the Investment Bank/Merchant Bank business. The Social Stock Exchange in India heralds a new era in organized, transparent, and efficient fundraising for social causes. It offers a credible and regulated platform for social enterprises, widening the philanthropy spectrum while ensuring accountability and effective fund utilization for impactful social change.

By concentrating on the mergers and acquisitions (M&A) of specialized boutique companies in sectors including technology, healthcare, finance, media, and entertainment, investment banking is expanding its market share and creating major potential for bigger companies.

India's economy will continue to expand, and there are certainly good possibilities for the sector there. Investment banks will have more opportunities as a result of the Indian government's efforts to liberalize the economy and entice international investment.

Investment banks will also benefit from the rise in M&A as well as Indian companies going public. Much like in any other nation, a variety of macroeconomic and political factors may alter the general investment environment, which may have an effect on the future of investment banking in India.

### **Wealth Management:**

India's wealth management market is projected to witness a CAGR of 10.02% during the forecast period FY25-FY32, growing from USD 154.25 billion in FY24 to USD 331.13 billion in FY32. The financial services industry is currently undergoing a significant transformation driven by a blend of various factors that are reshaping the landscape. These factors include the increasing urbanity among investors, regulatory changes that are shaping the industry's framework, advancements in technology that are revolutionizing the way financial services are delivered, and shifting demographics that are influencing the market dynamics.

In the context of India, tradition of savings, investments, and wealth preservation, with families traditionally relying on trusted advisors for financial guidance and support is evitable. However, with the rapid economic growth, globalization, enhanced regulatory environment, and enhanced accessibility to global financial markets, the wealth management sector in India has experienced a substantial evolution. Over the past few years, India has witnessed a notable rise in its high-net-worth individual community, propelled by economic expansion, entrepreneurial endeavors, and the expanding middle class. These individuals are in search of expert wealth management services to enhance and safeguard their assets. The demographic landscape of the nation is shifting, with a digitally inclined generation gravitating towards automated wealth management solutions, compelling companies to allocate resources towards technology and digitalization.



As investor preferences continue to evolve, wealth managers who adapt by offering goal-oriented and personalised financial planning are likely to thrive. The future of wealth management will increasingly rely on a combination of advanced technology and personalised service delivery to meet the growing demand for customised financial guidance. This alignment ensures that every investment decision supports the broader context of the clients' life goals, enhancing both client satisfaction and loyalty.

## **D. OPPORTUNITIES/ THREATS/ STRENGTHS**

### **Opportunities:**

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

### **Threats:**

- Execution risk;
- Short term economic slowdown impacting investor sentiments and business activities;
- Slowdown in global liquidity flows;
- Increased intensity of competition from local and global players, especially the players with strong technology edge in the business;
- Market trends making other assets relatively attractive as investment avenues.

### **Strengths:**

- Strong Brand name & presence;
- Strong deals execution track record;
- Experienced top management;
- Integrated financial services provider;
- Independent and insightful research;
- State of art infrastructure;
- Road shows and Conferences with senior managements of high repute.

## **E. RISKS AND CONCERNS**

Systematix being in financial sector is highly exposed to major market risks i.e. Credit risk, Market risk, Liquidity risk and Operational risk. We have adequate Risk Management Techniques and safeguards in place to ensure that major risks are properly assessed, analyzed and mitigation tools are applied and that the identified risks are commensurate with the potential returns.

### **i. Market Risk**

Trading and investment in assets like equity, commodities, debts, foreign currency and derivatives is exposed to economic growth levels, inflation, prices, interest rates, foreign exchange rates and other macro-economic factors. Since, our exposure to market risk is determined by a number of factors including size, composition and diversification of positions held and market volatility, The Market Risk Management minimize market risk exposures within acceptable parameters, while optimizing the return on risk.

**ii. Credit Risk**

In order to manage and control exposure to Credit risks in the Capital market We collect upfront margins in the form of funds and/or securities/ commodities from clients and trading members against their trading positions. We also monitor positions, margins, mark to market losses and risks on real time basis through risk management systems and policies specially designed to mitigate the credit risk.

Our approach in the financing business is to effectively implement the loan policy which we follow to accept borrowers and loan proposals. To reduce the credit risk in financing, we perform a detailed credit assessment on the prospective borrower or seek security over some assets of the borrower or a guarantee from a third party.

**iii. Operational Risk**

We have adopted key risk indicators that assess Operational risk i.e., Internal fraud, External fraud, Technology failures, Process execution and Business practices.

We had set benchmarks for abovementioned risks and track and measure the same through quantifiable data. Subsequently, our management pre-emptively makes decisions on whether to accept, mitigate, or avoid risk.

**Risk management**

Equity share capital, other equity and secured borrowings from the banks are considered for the purpose of Company's capital management. We aim to manage our capital efficiently so as to safeguard our ability to continue as a going concern and to optimise returns to our shareholders. Our capital structure is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. We consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, we may borrow from external parties such as banks or financial institutions. Our policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain shareholder, creditor and stakeholder confidence to sustain future development and growth of our business. We will take appropriate steps in order to maintain, or if necessary adjust, our capital structure.

**F. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

We have adequate systems of internal control, to ensure that all assets are safeguarded and protected against loss from unauthorized use and procedures commensurate with the size and nature of business. We continuously upgrade our systems in line with the best availability practices. These systems are supported by periodical reviews by the management and standard policies and guidelines to ensure that financial and other records are prepared accurately.

**G. SYSTEMATIX OVERVIEW**

Systematix Corporate Services Limited (SCSL) has come a long way since its incorporation, more than three decades ago. We are SEBI registered 'Category I' Merchant Banker and having 5 subsidiaries. Our operations are organized around three broad business lines – Public Issues / Follow on Offerings / Right issues and Private Placements for our prestigious corporate clients. With a knowledge centric approach and our mission to provide our customers with secure, customized and comprehensive financial solutions and thereby achieve sustained growth we have restructured ourselves through a hub-and-spoke model and have become a one stop service provider of financial services across various assets classes during the year. Through our five subsidiaries, we have established our presence in the Wealth Management, Institutional & HNI / UHNI Broking, Commodities and Loan Against Shares (through RBI registered NBFC). Our Company through associates has also set up a SEBI approved Alternative Investment Funds (AIF). We, through our subsidiaries, have facilities at around 9 locations via branches & 204 franchisees, spread across 6 states, targeting a strong client base across India.

This strategy is complemented by the following strengths:

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

As a result, Systematix is fast emerging into India's leading full-service and integrated financial services provider offering a wide range of products and services. As a knowledge-driven financial services firm, our key objective is to serve all the financial needs of our customers across the value chain and throughout their lifecycle journey. We are a one-stop solution catering to every requirement of our customers related to managing and growing financial assets.

## **H. SERVICES OFFERED**

### **i. Merchant Banking & Investment Banking:**

Merchant Banking & Investment Banking Division comprises of a group of highly experienced professionals with diverse expertise in investment advisory with special skills in assisting medium sized companies raising growth capital, companies going public and advising promoters or stakeholders (with a special focus on Private Equity funds) on stake sale. We help companies to raise capital during the growth and expansion phases as well as acquisition, financing and structuring the deal to maximize value for all its stakeholders. The comprehensive range of services from conception to completion provided under one roof reinforces our commitment on quality assurances through total involvement.

Each senior member of the team has more than a decade experience in the capital markets and have handled a variety of deals across several key sectors such as hospitality, automobiles, retail, engineering, media & entertainment, infrastructure, logistics, metals & mining, pharmaceuticals, power, banking & financial services, telecom & IT among others.

During the year under review, the division has gone up by 98.81% to ₹ 5,587.78 Lakh as compared to last year of ₹2,810.56 Lakh.

Our offerings are as follows:

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

### **ii. Financing & Other Activities:**

The income from financing & other activities was ₹ 1,347.31 Lakh as compared to previous year ₹ 902.22 Lakh, an 49.33% increase over the preceding year.

Our product offerings include activities like financing against shares and margin funding.

### **iii. Broking activities:**

The broking division of our company focuses on bridging the gap between the physical and the digital world, catering to Equity, Derivatives, Commodities and Currency markets. We have robust dedicated advisory desk for mass retail and affluent clients. We focus on enhanced customer experience, high quality advisory, digital initiative, distribution of assets based product, system driven trading products and network expansion.

The income from broking activities stood at ₹7,985.82 lakhs as compared to previous year at ₹ 4,266.44 lakhs, an 87.18% increase over the preceding year.

### **iv. Wealth Management:**

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

Our approach is entirely client-centric, which means that the services and products will be tailored to suit their specific requirements.

Distribution and marketing income comprises commission, brokerage and marketing income generated from distribution of third party products such as insurance, mutual funds, IPO and online marketing on our website. A part of the income is contributed by commission and brokerage on Mutual Fund Distribution from the wealth management platform.

During the year company's income from distribution and marketing was ₹4968.26 Lakhs as compared to ₹ 2,807.76 Lakh, a 76.95% increase from last year.

**v. *Portfolio Management Services:***

Portfolio Management Service (PMS) is a sophisticated investment vehicle that offers customized investment strategies to capitalize on opportunities in the market. Efficient Investment Management requires time, knowledge, understanding, expertise and constant monitoring of developments in micro and macro-economic environment. That is difficult for investors because of involvement in its own business profession and other activities. For those who need an expert to help to manage their investments, PMS is the right answer.

Our Portfolio Managers work with clients to design an individual investment strategy in accordance with their objectives, risk tolerance, and liquidity needs and draw upon the best suited portfolio. In a nut shell, based on our holistic investment approach and innovative product capabilities we offer you very active multi asset class portfolio advisory & management services with personalized attention and active participation of Systematix' management. We offer both discretionary and non-discretionary portfolio services.

During the year company's income from PMS was Rs. 42.81 Lakhs as compared to Rs. 48.36 Lakhs, a 11.48% decrease from last year.

**vi. *Research:***

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

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

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

**I. FINANCIAL PERFORMANCE HIGHLIGHTS**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) in India.

**Table 1: Abridged Statement of Profit and Loss (₹ in Lakh) –**
*Consolidated*

Particulars	FY 24	% of Total Income	FY 23	% of Total Income
<b>Revenue</b>				
Income from Operation	13708.88	93.91%	7252.20	92.06%
Other Income	888.31	6.09%	625.20	7.94%
<b>Total</b>	<b>14597.19</b>	<b>100%</b>	<b>7877.40</b>	<b>100%</b>
<b>Expenditure</b>				
Employees Cost	4371.48	29.95%	3411.26	43.30%
Finance Cost	309.00	2.12%	333.33	4.23%
Net loss on fair value changes	-	-	-	-
Share of loss from Joint Venture LLP	0.20	0.00%	0.17	0.002%
Impairment on financial instruments	(256.55)	1.76%	203.21	2.58%
Depreciation	192.49	1.32%	60.78	0.77%
Other Expenses	3207.88	21.98%	3292.47	41.80%
<b>Total</b>	<b>7824.50</b>	<b>53.60%</b>	<b>7301.22</b>	<b>92.69%</b>
Exceptional Items	-	-	-	-
<b>Profit Before Tax</b>	<b>6772.69</b>	<b>46.40%</b>	<b>576.18</b>	<b>7.31%</b>
Tax- current & deferred	1438.06	9.85%	67.97	0.86%
<b>Profit after Tax</b>	<b>5334.63</b>	<b>36.55%</b>	<b>508.21</b>	<b>6.45%</b>
Other comprehensive income	(13.36)	0.09%	36.46	0.46%
<b>Total comprehensive income for the year</b>	<b>5321.27</b>	<b>36.45%</b>	<b>544.67</b>	<b>6.91%</b>
Earning per Shares (Basic)	<b>41.10</b>	-	<b>3.92</b>	-
Earning per Shares (Diluted)	<b>41.10</b>	-	<b>3.92</b>	-

The revenues of our Company for the financial year under review are ₹ 14,597.19 Lakh as compared to ₹ 7,877.40 Lakh for the previous year. The profit for the year under review is ₹ 5321.27 Lakh as against the Profit of ₹ 544.67 Lakh in the previous year.

**Table 2: Abridged Statement of Profit and Loss (₹ in Lakh) –**
*Standalone Basis*

Particulars	FY 24	% of Total Income	FY 23	% of Total Income
<b>Revenue</b>				
Income from Operation	5574.89	99.79%	2753.24	97.99%
Other Income	11.99	0.21%	57.32	2.01%
<b>Total</b>	<b>5586.89</b>	<b>100%</b>	<b>2810.56</b>	<b>100%</b>
<b>Expenditure</b>				
Employee benefits expenses	1149.41	20.57%	895.74	31.88%
Finance Cost	229.16	4.10%	196.16	6.98%
Net loss on fair value changes	-	-	-	-
Impairment on financial instruments	(0.90)	0.02%	(27.18)	0.97%
Share of loss from Joint Venture LLP	0.20	0.01%	0.17	0.01%
Depreciation	74.84	1.34%	2.42	0.09%
Other Expenses	1173.50	21.00%	1197.60	42.62%
<b>Total</b>	<b>2626.21</b>	<b>47.01%</b>	<b>2264.91</b>	<b>80.58%</b>
Exceptional Items	-	-	-	-

*Standalone Basis*

Particulars	FY 24	% of Total Income	FY 23	% of Total Income
<b>Profit Before Tax</b>	<b>2960.68</b>	<b>52.99%</b>	<b>545.65</b>	<b>19.42%</b>
Tax- current & deferred	768.48	13.76%	151.20	5.40%
<b>Profit after Tax</b>	<b>2192.20</b>	<b>39.24</b>	<b>394.45</b>	<b>14.02%</b>
Other comprehensive income	(3.33)	0.06%	1.59	0.06%
<b>Total comprehensive income for the year</b>	<b>2188.87</b>	<b>39.18%</b>	<b>396.04</b>	<b>14.08%</b>
Earning per Shares (Basic)	16.89	-	3.04	-
Earning per Shares (Diluted)	16.89	-	3.04	-

➤ **Performance of Subsidiaries:**

**Systematix Shares and Stocks (India) Limited:**

*(₹ in Lakh)*

Particulars	FY 24	FY 23	Growth %
Total Revenues	7923.80	4256.24	86.17%
EBIDT	2731.38	(26.95)	-
PBT	2500.88	(197.29)	-
PAT	2010.99	(99.49)	-

**Systematix Fincorp India Limited:**

*(₹ in Lakh)*

Particulars	FY 24	FY 23	Growth %
Total Revenues	647.83	683.15	(5%)
EBIDT	731.22	294.96	148%
PBT	723.47	286.14	153%
PAT	653.03	286.19	128%

**Systematix Finvest Private Limited:**

*(₹ in Lakh)*

Particulars	FY 24	FY 23	Growth %
Total Revenues	443.99	219.08	103%
EBIDT	564.01	60.57	831%
PBT	551.96	(58.69)	-
PAT	449.28	(77.04)	-

**Systematix Commodities Services Private Limited:**

*(₹ in Lakh)*

Particulars	FY 24	FY 23	Growth %
Total Revenues	61.08	10.96	457%
EBIDT	50.82	4.25	1096%
PBT	36.46	4.24	760%
PAT	29.93	4.24	606%

**Systematix Ventures Private Limited**

*(₹ in Lakh)*

Particulars	FY 24	FY 23	Growth %
Total Revenues	0.77	0.36	114%
EBIDT	(0.74)	(3.82)	81%
PBT	(0.74)	(3.82)	81%
PAT	(0.79)	(3.82)	79%

**Details of significant changes in key financial Ratios:**

Sr. No.	Particulars	31.03.2024	31.03.2023	change in %	Explanation
1.	Debtors Turnover Ratio	11.31	2.89	291.10%	Increase in revenue and decrease in debtors resulted into improvement in Debtor Turnover Ratio.
2.	Interest coverage ratio (ICR)	22.92	2.73	739.91%	Increase in profit resulted into improvement in Interest Coverage Ratio.
3.	Current ratio	1.68	1.43	17.62%	Increase in current asset resulted in increase in Current Ratio.
4.	Debt Equity Ratio	0.88	0.98	9.39%	On account of repayment of existing loan, there is a decrease in Debt Equity Ratio
5.	Operating Profit Margin	48.51	11.55	320.18%	Increase in revenue without increase of operational cost resulted into increase of Operational Net profit Margin.
6.	Net Profit Margin	36.55	6.45	466.46%	Increase in revenue from operations resulted in Increase in Net Profit Margin.
7.	Return on Net Worth	35.02	5.13	582.90%	Increase in profit resulted in increase in Return on Net Worth.

**Note: The figures for the corresponding previous period have been restated / grouped wherever necessary.**

**J. HUMAN RESOURCES**

We continue to lay emphasis on developing and facilitating optimum human performance through Employee Engagement, Encourage Health and Wellness and Rewards and Recognition. At Systematix, we aim to create learning and development journeys based on output of the talent assessment process and focus on the leadership mindsets and behaviours. Recruitment process has been strengthened to ensure higher competence levels.

There were approx. 189 permanent employees on the roll of your Company and it's subsidiaries as on March 31, 2024.

We aim to create a thriving, safe and inclusive workplace for its employees and providing merit based opportunities for professional development and growth while providing equal opportunity for employment across gender or ethnic background.

Our Company encourages an entrepreneurial spirit among employees, offering uncapped incentives and empowering Relationship Managers to innovate and expand client engagements without geographical boundaries.

**K. CAUTIONARY STATEMENT**

*Statements in this Management Discussion and Analysis describing our Company's objectives, projections, estimates and expectations may be 'forward-looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Important factors that could make a difference to our operations include global economy, political stability, stock performance on stock markets, changes in government regulations, tax regimes, economic developments and other incidental factors. Except as required by law, we do not undertake to update any forward-looking statements to reflect future events or circumstances. Investors are advised to exercise due care and caution while interpreting these statements.*



**INDEPENDENT AUDITOR'S REPORT**
**TO THE MEMBERS**
**SYSTEMATIX CORPORATE SERVICES LIMITED**
**Report on the Audit of Standalone Financial Statements:**
**Opinion**

1. We have audited the accompanying standalone financial statements of **M/s. Systematix Corporate Services Limited** ("The Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss for the year, (including other Comprehensive income), the statement of Cash flow, and the Statement of Changes in equity for the year then ended and notes to financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").
2. 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 Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2024, the Profit (Including Other Comprehensive Income), the Changes in equity and its cash flows for the year ended on that date.

**Basis of Opinion**

3. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Key audit matters**

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SR. No.	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
	<p><b>Revenue from Operations</b></p> <p>Revenue from operations mainly comprises of revenue from investment banking services which includes lead manager's fees, underwriting commission, fees for mergers, acquisitions and advisory assignments; and arranger's fees for mobilizing debt funds.</p> <p>Revenue is recognized when the services for the transaction are determined to be completed or when specific obligations are determined to be fulfilled as per the terms of the engagement.</p> <p>The variety and number of obligations within the contracts can make it complex and requires significant judgement of management to determine completion of the performance condition associated with the revenue. Due to this complexity and significant level of judgement involved, we have identified Revenue from operations a Key Audit Matter in respect of standalone financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our key audit procedures included:</p> <ul style="list-style-type: none"> <li>– Obtained process understanding and tested the design and implementation of the controls established by the Company for revenue recognition.</li> <li>– For selected samples, evaluated fulfilment of the performance obligations as per the terms of engagement with customers by checking the underlying documents.</li> <li>– Obtained corroboration from the business teams on the open mandates and checked the reconciliation prepared by the Company between the open mandates and the revenue recognized in the books of accounts.</li> </ul>

**Information Other than the Standalone Financial Statements and Auditor's Report Thereon**

5. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon. The Company's annual report is expected to be made available to us after the date of this auditor's report.
6. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
8. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Management Responsibilities for the Standalone Financial Statements**

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act 2013, with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance, and the cash flow of the Company in accordance with the Accounting Principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding 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.
10. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
11. Those Board of Directors are responsible for overseeing the Company financial reporting process.

**Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

12. Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.
13. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
  - Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
  - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
  - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
14. Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.
  15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.
  16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

#### **Report on Other Legal and Regulatory Requirements**

17. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central government in terms of Section 143(11) of the Act, we give in "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the order.
18. 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e) On the basis of written representation received from the directors as on March 31, 2024 taken on record by the Board of directors, none of the directors is disqualified as on March 31, 2024 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 B**". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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, as amended 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, 2024 on its financial position in its standalone financial statements - [Refer Note No 32]

- ii. Based on the information and explanations provided to us, the Company does not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses; and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
  - Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
  - Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
  - Directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub para (iv)(i) and (iv)(ii) contain any material mis-statement.
- h) The company has neither declared nor paid any dividend during the year; hence reporting in respect of compliance under section 123 of the Act is not applicable.
- i) Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with.
- j) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act; in our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the company is in accordance with the provisions of Section 197 of the Act.

**For Shah & Taparia**  
**Chartered Accountants**

**Narottam Shah**  
**Partner**  
**M. No: 106355**  
**FRN No.: 109463W**  
**UDIN No: 24106355BKGFGM6510**  
**Place : Mumbai**  
**Date : 10.05.2024**

## **Annexure A” to the Independent Auditors Report**

*(referred to in paragraph 17 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2024.)*

As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we confirm that:

- (i)
  - (a)
    - A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, plant and equipment.
    - B. The Company did not have any intangible assets hence reporting under para 3(i)(a)(B) is not applicable.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner. In our opinion, this periodicity of physical verification 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 explanations given to us and on the basis of our examination of the records of the Company, the company did not have any immovable properties, hence reporting under para 3(i)(c) of the Order is not applicable.
  - (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) during the year.
  - (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii)
  - (a) According to the information and explanations given to us, the company does not have any inventories and hence reporting under para 3(ii) of the Order is not applicable.
  - (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. Hence reporting under this para is not applicable.
- (iii) In our opinion and according to information and explanation given to us, the company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, reporting under clause 3(iii)(a) to (f) of the Order is not applicable to the company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not provided any guarantee or security or granted any loans or advances in the name of loans, secured or unsecured as specified under Section 185 and 186 of the Companies Act, 2013.
- (v) In our opinion and according to information and explanation given to us, the company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable. As informed to us no order has been passed by the Company Law Board or National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by the Company. Accordingly, para 3(vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees’ State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of

Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us there were no dues of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues which have not been deposited by the Company on account of disputes, except as mentioned hereunder:

(₹ in Lakhs)

Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs. 19.03	AY 2017-18	Commissioner of Income Tax Appeals, Mumbai

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act 1961 as income during the year.

- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

According to the information and explanations given to us by the management, the Company has not obtained term loans during the year.

According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates as defined under the Companies Act, 2013. Accordingly, para 3(ix) (e) of the Order is not applicable.

According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associates as defined under the Companies Act, 2013. Accordingly, para 3(ix)(f) of the Order is not applicable.

- (x) According to the information and explanations given to us, the Company has neither raised money by way of public issue offer or further public offer (including debt instruments) during the year. The company has not made any preferential allotment or private placement of shares or convertible Debentures (fully, partially or optionally convertible) during the year. Accordingly, para 3(x) of the Order is not applicable.

- (xi) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

According to the information and explanations given to us, there were no whistle blower complaints received during the year. Accordingly, para 3(xi)(c) of the Order is not applicable.

- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, para 3(xii) of the Order is not applicable.

- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.



- (xiv) Based on information and explanation provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, para 3(xvi)(a) and (b) of the Order is not applicable.
- According to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, para 3(xvi)(c) of the Order is not applicable.
- According to the information and explanations provided to us during the course of audit, the company does not have any CIC. Accordingly, the requirements of para 3(xvi)(d) are not applicable.
- (xvii) According to the information and explanations given to us, the Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Hence reporting under para 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) In our opinion and according to the information and explanations given to us, sub-section (5) of Section 135 of the Companies Act, 2013 is not applicable to the company. Accordingly, para 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (xxi) The reporting under para (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said para under this report.

**For Shah & Taparia**  
**Chartered Accountants**  
**FRN NO: 109463W**

**Narottam Shah**  
**Partner**  
**M. No.: 106355**

**UDIN NO: 24106355BKGFGM6510**  
**Date: 10.05.2024**  
**Place: Mumbai**



## **Annexure – B” to the Independent Auditor’s Report**

*(referred to in paragraph 18(f) under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2024.)*

### **Report on the Internal Financial Controls under Para (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 M/s. Systematix Corporate Services Limited (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### **Management’s and Board of Director’s Responsibility for Internal Financial Controls**

The Company’s management and the Board of Directors are 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. 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 respective 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 internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls system over financial reporting of the Company.

#### **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 receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) 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, to the best of our information and according to the explanations given to us, 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, 2024, 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 Shah & Taparia**  
**Chartered Accountants**  
**FRN NO: 109463W**

**Narottam Shah**  
**Partner**  
**M. No.: 106355**

**UDIN NO: 24106355BKGFGM6510**  
**Date: 10.05.2024**  
**Place: Mumbai**

**BALANCE SHEET AS AT 31ST MARCH 2024**

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>I. Financial assets</b>			
Cash and cash equivalents	3	3,610.47	156.70
Bank balances other than above	3	17.40	17.40
Receivables			
(i) Trade receivables	4	62.13	19.33
Loans	5	-	268.31
Investments	6	8,089.33	8,232.81
Other financial assets	7	545.34	308.98
		<b>12,324.67</b>	<b>9,003.52</b>
<b>III. Non-financial assets</b>			
Current tax assets (net)	8	-	160.82
Deferred tax assets (net)	9	15.77	15.82
Property, plant and equipment	10	976.25	19.97
Other non-financial assets	11	93.65	12.81
		<b>1,085.67</b>	<b>209.42</b>
<b>Total Assets</b>		<b>13,410.35</b>	<b>9,212.94</b>
<b>LIABILITIES AND EQUITY</b>			
<b>I. LIABILITIES</b>			
<b>Financial Liabilities</b>			
Payable	12		
(i) Trade payable			
- Total outstanding dues of micro enterprises and small enterprises		33.26	2.97
- Total outstanding dues of other than micro enterprises and small enterprises		199.86	21.52
Borrowings (other than debt securities)	13	1,135.03	1,273.40
Subordinated Liabilities	14	902.50	822.70
Other financial liabilities	15	1,173.14	23.64
		<b>3,443.79</b>	<b>2,144.24</b>
<b>Non-financial Liabilities</b>			
Current tax liabilities (net)	16	98.83	-
Provisions	17	42.03	20.81
Other non-financial liabilities	18	633.59	44.58
		<b>774.45</b>	<b>65.39</b>
<b>II. EQUITY</b>			
Equity Share Capital	19	1,305.14	1,305.14
Other equity	20	7,886.97	5,698.15
		<b>9,192.11</b>	<b>7,003.29</b>
<b>Total Liabilities and Equity</b>		<b>13,410.35</b>	<b>9,212.94</b>

The above balance sheet should be read in conjunction with the accompanying notes 1 to 49

In terms of our report for even date attached

For **Shah & Taparia**  
Chartered Accountants  
FRN NO : 109463W

**Narottam Shah**  
Partner  
M NO. 106355

Mumbai  
Date: 10.05.2024

For and on behalf of the Board of Directors

**Nikhil Khandelwal**  
Managing Director  
DIN: 00016387

**Divyesh Badiyani**  
Company Secretary

**Anju Khandelwal**  
Director  
DIN: 00474604

**Anil Bhagchandani**  
Chief Financial Officer

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024**

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
<b>Income</b>			
Revenue from Operations			
Interest income	21	55.54	59.58
Fees	22	5,519.35	2,693.66
Impairment on financial instruments	23		
<b>Total revenue from operation</b>		<b>5,574.89</b>	<b>2,753.24</b>
Other income	24	11.99	56.52
Net gain on fair value change	25	-	0.80
<b>Total income</b>		<b>5,586.89</b>	<b>2,810.56</b>
<b>Expenses</b>			
Finance costs	26	229.16	196.16
Impairment on financial instruments	23	(0.90)	(27.18)
Share of loss from Joint Venture LLP(SVP)		0.20	0.17
Employee benefits expenses	27	1,149.41	895.74
Depreciation, amortization and impairment	28	74.84	2.42
Other expenses	29	1,173.50	1,197.60
<b>Total expenses</b>		<b>2,626.21</b>	<b>2,264.91</b>
<b>Profit/(loss) before tax</b>		<b>2,960.68</b>	<b>545.64</b>
<u>Tax expenses</u>	30		
Current Year Tax		765.10	138.87
Previous Year Tax		2.22	-
Deferred tax		1.17	12.33
<b>Total tax expenses</b>		<b>768.49</b>	<b>151.20</b>
<b>Profit/(Loss) after tax</b>		<b>2,192.20</b>	<b>394.45</b>
Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability/asset		(4.45)	2.12
Tax on remeasurement of defined benefit -Actuarial gain or loss		1.12	(0.53)
		(3.33)	1.59
ii. Items that will be reclassified to profit or loss		-	-
<b>Other comprehensive income</b>		<b>(3.33)</b>	<b>1.59</b>
<b>Total comprehensive income for the year</b>		<b>2,188.87</b>	<b>396.04</b>
Earning per Equity Shares of ₹ 10 each (not annualised)			
- Basic and Diluted	31	16.89	3.04

The above balance sheet should be read in conjunction with the accompanying notes 1 to 49.

In terms of our report for even date attached

For **Shah & Taparia**  
Chartered Accountants  
FRN NO : 109463W

**Narottam Shah**  
Partner  
M NO.106355

Mumbai  
Date: 10.05.2024

For and on behalf of the Board of Directors

**Nikhil Khandelwal**  
Managing Director  
DIN: 00016387

**Divyesh Badiyani**  
Company Secretary

**Anju Khandelwal**  
Director  
DIN: 00474604

**Anil Bhagchandani**  
Chief Financial Officer

**Statement of change in equity for the year ended 31 March 2024**
**(A) Share capital**

(₹ in Lakhs)

Particular	Equity share capital
<b>As at 1 April 2023</b>	<b>1,298.03</b>
Changes in equity share capital	-
	<b>1,298.03</b>
Changes in equity share capital	-
<b>As at 31 March 2024</b>	<b>1,298.03</b>

**(B) Other equity**
**1. Reserve and Surplus**

(₹ in Lakhs)

Particular	Capital reserve	Securities premium	General reserve	Retained earnings	Total
<b>As at 1 April 2022</b>	228.64	1,865.02	44.47	3,293.78	<b>5,431.90</b>
Profit/(loss) for the year	-	-	-	394.45	<b>394.45</b>
Dividend Distributed	-	-	-	(129.80)	<b>(129.80)</b>
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	1.60	<b>1.60</b>
<b>As at 31 March 2023</b>	<b>228.64</b>	<b>1,865.02</b>	<b>44.47</b>	<b>3,560.02</b>	<b>5,698.15</b>
<b>As at 1 April 2023</b>	<b>228.64</b>	<b>1,865.02</b>	<b>44.47</b>	<b>3,560.02</b>	<b>5,698.15</b>
Profit/(loss) for the year	-	-	-	2,192.20	<b>2,192.20</b>
Dividend Distributed	-	-	-	-	-
OCI Gratuity	-	-	-	-	-
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	(3.38)	<b>(3.38)</b>
<b>As at 31 March 2024</b>	<b>228.64</b>	<b>1,865.02</b>	<b>44.47</b>	<b>5,748.84</b>	<b>7,886.97</b>

The above statement of change in equity should be read in conjunction with the accompanying notes 1 to 49.

In terms of our report for even date attached

For and on behalf of the Board of Directors

**For Shah & Taparia**  
Chartered Accountants  
FRN NO : 109463W

**Nikhil Khandelwal**  
Managing Director  
DIN: 00016387

**Anju Khandelwal**  
Director  
DIN: 00474604

**Narottam Shah**  
Partner  
M NO. 106355

**Divyesh Badiyani**  
Company Secretary

**Anil Bhagchandani**  
Chief Financial Officer

Mumbai  
Date: 10.05.2024

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2024**

(₹ in Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extra ordinary items	2,960.68	545.65
Adjustments for :-		
1 Depreciation and amortization	74.84	2.42
2 Interest and/or Dividend received	(55.54)	(48.87)
3 Interest expenses	127.81	122.91
4 Net loss on fair value changes	-	0.80
5 Interest on subordinated liability	79.80	72.75
6 Interest on lease liability	21.10	-
7 Impairment on financial instruments	-	(27.18)
8 Corporate Guarantee Commission	(12.22)	(45.22)
9 Derecognition of Lease Asset	-	-
10 CGST and SGST Disallowances	1.09	4.06
<b>Operating profit before working capital changes</b>	<b>3,197.57</b>	<b>627.31</b>
Working capital changes:		
1 Increase/ (Decrease) Trade and Other Current Assets	(360.01)	101.14
2 Increase/ (Decrease) Trade and other Payables	1,962.77	(107.72)
<b>Cash Generated from operation</b>	<b>4,800.33</b>	<b>620.74</b>
Less: Refund received/(income tax paid)	(507.67)	(266.54)
<b>Cash Flow Before extraordinary items</b>	<b>4,292.65</b>	<b>354.19</b>
Extraordinary items	-	-
<b>Net Cash from/ (Used ) in Operating activities</b>	<b>4,292.65</b>	<b>354.19</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
1 Investment (net)	155.70	13.69
2 Loan Given	(8,756.00)	(148.11)
3 Loan Received Back	9,024.31	30.00
4 Interest Received	55.54	48.87
5 Purchase of Fixed Assets	(1,031.14)	-
<b>Net Cash from/ (Used) in investing activities</b>	<b>(551.60)</b>	<b>(55.55)</b>
<b>C. CASH FLOW FROM FINANCIANG ACTIVITIES</b>		
1 Repayment of Long and Short Term Borrowings	(58.57)	(160.30)
2 Interest Paid	(228.71)	(122.91)
3 Dividend Paid	-	(129.80)
<b>Net Cash from financing activities</b>	<b>(287.28)</b>	<b>(413.01)</b>
<b>Net increase in Cash and Cash equivalents (A+B+C)</b>	<b>3,453.77</b>	<b>(114.42)</b>
Cash and Cash equivalents as (Opening Balance)	174.10	288.52
Cash and Cash equivalents as (Closing Balance)	3,627.87	174.10

1. The above statement of cash flow has been prepared under the indirect method as set out in Ind As-7 'statement of cash flow'.

2. Components of cash and cash equivalents are as set out in note no 3.

In terms of our report for even date attached

For **Shah & Taparia**  
Chartered Accountants  
FRN NO : 109463W

**Narottam Shah**  
Partner  
M NO. 106355

Mumbai  
Date: 10.05.2024

For and on behalf of the Board of Directors

**Nikhil Khandelwal**  
Managing Director  
DIN: 00016387

**Divyesh Badiyani**  
Company Secretary

**Anju Khandelwal**  
Director  
DIN: 00474604

**Anil Bhagchandani**  
Chief Financial Officer

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### 1) Corporate information

Systematix Corporate Services Limited ('the Company') is a Public Limited Company incorporated and domiciled in India and has its registered office in India **The Capital, "A" wing, 6th Floor, No. 603-606, Plot No.C-70, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400051.** The Company has its primary listings on the BSE in India. The Company is registered as category I Merchant banker with Securities and Exchange Board of India (SEBI) and primarily engaged in Merchant Banking Activities.

These financial statements were authorised for issue by the board of directors on 10th May 2024.

### 2) Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation and presentation

##### A) Statement of compliance

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act, as amended.

##### B) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

1. Derivative financial instruments;
2. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
3. Share based payment transactions,
4. Defined benefit and other long-term employee benefits.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in ₹ (INR), the functional currency of the Company. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

##### C) Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent assets and liabilities at the date of the financial statements. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed under **"Summary of significant accounting policies"**. Accounting estimates could change from period to period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

#### Summary of significant accounting policies

- (i) Functional and presentation currency Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

- (ii) Foreign currency transactions and balances are translated into the functional currency of the company, using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies, are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.
- (iii) Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.
- (iv) Investment in subsidiaries: Investment in subsidiaries is measured at cost.

### (v) **Current v/s Non-current classification**

The company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset /liability is current when it is:

- Expected to be realised/settled or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised / settled within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/ liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### (vi) **Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

#### **Financial Assets:**

##### **Classification**

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit or Loss) and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investments at FVOCI.

##### **Initial recognition and measurement**

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

recorded at fair value through Statement of Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in the Statement of Profit or Loss.

### Subsequent measurement

After initial recognition, financial assets are measured at:

- Fair value (either through other comprehensive income or through profit or loss), or
- Amortized cost

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs. For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at Fair Value Through Other Comprehensive Income (FVTOCI), equity instruments at FVTOCI or Fair Value Through Profit and Loss account (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

### (vii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- The asset's contractual cash flow represent Solely Payments of Principal and Interest (SPPI)

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain / (loss) in statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the Effective Interest Rate (EIR) model.

### (viii) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

### (ix) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

In addition the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

- a) Non-derivative financial liabilities
  - (i) Financial liabilities at amortised cost: Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.
  - (ii) Financial liabilities at FVTPL: Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.
- b) Derivative financial instruments: Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss.

**(x) Property, plant and equipment:**

- a) **Recognition and measurement:** All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

- b) **Depreciation method, estimated useful life and residual value:** The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on property plant and equipment has been provided on the straight line method allocated to its cost, net of residual value, over their estimated useful lives as follows:

Type of Asset	Estimated useful life
Computer (included in Plant & Equipment) End user services Servers and network	3 years
Vehicles	8 years
Office Equipments	5 years
Furniture and Fixtures	10 years
Plant and Equipments	15 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date. There was no change in the useful life of property, plant and equipment as compared to previous year. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work-in-progress (if any).

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

- c) **Impairment:** Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

### (xi) Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

### (xii) Impairment of assets:

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

### Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Company recognises life time expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction.

At each reporting date, the Company assesses whether the loans have been impaired. The Company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging of the outstanding. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss.

The Company recognises life time expected credit loss for trade receivables and has adopted the simplified method of computation as per Ind AS 109. The Company consider outstanding overdue for more than 90 days for calculation of expected credit loss with periodical percentage method. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

### Derecognition of Financial Assets

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

### **Financial Liabilities:**

#### **Initial recognition and measurement**

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/origination of the financial liability.

#### **Subsequent Measurement**

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

#### **Derecognition**

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

### **(xiii) Trade receivable**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

#### **Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

### **(xiv) Cash and Cash Equivalents:**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash and cheque in hand, bank balances, deposits held at call with financial institutions i.e. demand deposits with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdraft. Bank Overdraft are shown within borrowings in current liabilities in the balance sheet.

### **(xv) Provisions, Contingent Liabilities and Contingent Assets:**

#### **a) Provision**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

### b) Contingent Liability

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

### c) Contingent assets

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

## (xvi) **Employee benefits**

### i. Short term Obligation

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

### ii. Post-Employment Obligation:

The company operates the following post-employment schemes.

- Defined benefit plan i.e. gratuity

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee.

The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

#### **Gratuity:**

The Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

### **Provident Fund:**

Eligible employees of the company receive benefits from employee's provident fund Organisation, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The remaining portion is contributed to the government-administered pension fund.

### **(xvii) Revenue recognition**

Revenue (other than for those items to which Ind AS 109 - Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company recognises revenue from the following sources:

#### **i. Revenue from fees**

Revenue from fees includes income from Merchant banking, Investment banking, advisory fees, and syndication fees. It is recognised based on the stage of completion of assignments and terms of agreement with the client.

#### **ii. Research and advisory income**

Research and advisory income is accounted for on an accrual basis in accordance with the terms of the respective agreements entered into between the Company and the counter party.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### iii. Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

### iv. Dividend income

Dividend income is recognized in the Statement of profit and loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

### (xviii) Taxes on income

Income-tax expense comprises current tax (amount of tax for the period determined in accordance with The Income Tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements). Taxes are recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in the Other Comprehensive Income.

#### Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

#### Current tax assets and liabilities are offset only if, the Company:

- a) Has a legally enforceable right to set off the recognized amounts; and
- b) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

#### Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if the Company:

- a) Has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Current and Deferred tax for the year - OCI

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### Minimum Alternate Tax

Minimum Alternate Tax is in the nature of unused tax credit which can be carried forward and utilised when the company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognized to the extent that is probable that the unused tax credit can be utilised in the specified future period.

### (xix) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

### (xx) Earnings per share

#### i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company.
- By the weighted average number of equity shares outstanding during the financial year.

#### ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

### (xxi) Foreign Currency Transactions:

#### a) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

#### b) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively). Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

### (xxii) Leases

#### As a lessee

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. The contract involves the use of an identified asset.
- ii. The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), cancellable leases with not more than minimum penalty and low value leases. For these short-term leases, cancellable leases with not more than minimum penalty and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses, if any and adjusted for any re-measurement of the lease liability.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

#### As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### (xxiii) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance cost.

The fair value of the liability portion of an optionally convertible bonds is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The remainder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least 12 months after reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### (xxiv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### (xxv) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### (xxvi) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker (CODM). The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Director which makes strategic decisions.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**3 Cash and cash equivalents**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Cash On hand	0.10	0.11
Balances with banks		
- In current accounts	3,610.37	156.59
<b>Total</b>	<b>3,610.47</b>	<b>156.70</b>

**Bank balances other than above**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Bank Balance FDR with Bank	-	-
Bank Balance - Earmarked balances with Bank (Unpaid Dividend)	17.40	17.40
<b>Total</b>	<b>17.40</b>	<b>17.40</b>

**4 Trade receivables**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Receivable considered good - unsecured		
- from related parties	-	-
- from others	63.20	20.54
Receivable which have significant increase in credit risk	-	0.74
Receivable - credit impaired	-	-
Less: Impairment Allowance	(1.07)	(1.96)
<b>Total</b>	<b>62.13</b>	<b>19.33</b>

**Reconciliation of impairment allowance on trade receivable**

(₹ in Lakhs)

Particular	Amount
Impairment allowance measured as per simplified approach	
<b>As at 1 April 2022</b>	<b>60.45</b>
Add: Addition during the year	-
Less: Reduction during the year	(58.50)
<b>As at 31 March 2023</b>	<b>1.96</b>
Add: Addition during the year	-
Less: Reduction during the year	(0.89)
<b>As at 31 March 2024</b>	<b>1.07</b>

(₹ in Lakhs)

Trade receivable past due	0-90 days	91-180 days	181-360 days	1 to 2 years	More than 2 years	Total
<b>ECL rate</b>	<b>Nil</b>	<b>20.00%</b>	<b>30.00%</b>	<b>50.00%</b>	<b>100.00%</b>	
<b>As at 31 March 2023</b>						
Estimated total gross carrying amount at default	14.47	6.08	-	-	0.74	<b>21.29</b>
ECL - Simplified approach	-	1.22	-	-	0.74	<b>1.96</b>
For credit impairment	-	-	-	-	-	
<b>Net carrying amount</b>	<b>14.47</b>	<b>4.86</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19.33</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

(₹ in Lakhs)

Trade receivable past due	0-90 days	91-180 days	181-360 days	1 to 2 years	More than 2 years	Total
<b>ECL rate</b>	<b>Nil</b>	<b>20.00%</b>	<b>30.00%</b>	<b>50.00%</b>	<b>100.00%</b>	
<b>As at 31 March 2024</b>						
Estimated total gross carrying amount at default	57.45	5.41	0.34	-	-	<b>63.20</b>
ECL - Simplified approach	-	1.07	-	-	-	<b>1.07</b>
For credit impairment	-	-	-	-	-	-
<b>Net carrying amount</b>	<b>57.45</b>	<b>4.34</b>	<b>0.34</b>	<b>-</b>	<b>-</b>	<b>62.13</b>

**Ageing schedule for FY 2023-24**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months 1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	57.45	-	-	-	-	<b>57.45</b>
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	5.41	-	-	-	-	<b>5.41</b>
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	0.34	-	-	-	<b>0.34</b>

**Ageing schedule for FY 2022-23**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables - considered good	14.47	-	-	-	-	<b>14.47</b>
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	6.08	-	-	-	-	<b>6.08</b>
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	0.74	<b>0.74</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**5 Loans**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
<b>At amortised cost</b>		
(i) Loan Repayable on demand	-	268.31
<b>Total gross</b>	-	<b>268.31</b>
Less: Impairment loss allowance	-	-
<b>Total net</b>	-	<b>268.31</b>
<b>Security details</b>		
(i) Unsecured	-	268.31
<b>Total gross</b>	-	<b>268.31</b>
Less: Impairment loss allowance	-	-
<b>Total net</b>	-	<b>268.31</b>
<b>Geographical details</b>		
(i) Loans in India		
(a) Public sector	-	-
(b) Others	-	-
- Corporates	-	268.31
<b>Total gross</b>	-	<b>268.31</b>
Less: Impairment loss allowance	-	-
<b>Total net</b>	-	<b>268.31</b>

**A i) Details of loans and advances in the nature of loans to subsidiaries, associates, firms/companies in which directors are interested:**

(₹ in Lakhs)

Name of the Company and relationship	As at 31 March 2024	As at 31 March 2023
<b>Subsidiaries</b>		
Systematix Finvest Private Limited	-	268.31
<b>Total gross</b>	-	<b>268.31</b>
Less: Impairment loss allowance	-	-
<b>Total net</b>	-	<b>268.31</b>

ii)	Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
	Promoters	-	-
	Directors	-	-
	KMPs	-	-
	Related Parties	-	-



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**6 Investments**

(₹ in Lakhs)

Particular	Face Value	As at 31 March 2024		As at 31 March 2023	
		Holding Nos.	Amount	Holding Nos.	Amount
<b>A) INVESTMENTS</b>					
Equity instruments (Fair Value through profit and loss)					
(Industrial Investment Trust Ltd)		-	-	-	-
Nippon MF		-	-	-	-
Investment in Subsidiaries (AT COST)		-	-	-	-
Systematix Fincorp India Limited	10	1,675,845	1,427.58	1,675,845	1,427.58
Systematix Finvest Private Limited	100	187,820	1,100.99	187,820	1,100.99
Systematix Shares and Stocks (India) Limited	10	4,913,500	5,209.48	4,913,500	5,177.97
Systematix Commodities Services Private Limited	100	80,000	312.13	80,000	312.13
Systematix Ventures Private Limited	10	300,000	33.54	300,000	33.54
Divisha Alternative Investments LLP		-	5.60	-	5.60
Debentures , Unquoted (at amortised cost)		-	-	-	-
10% Debenture of Skittish Realtors Private Limited		-	-	200,000	175.00
<b>Total (A)</b>		<b>7,157,165</b>	<b>8,089.33</b>	<b>7,357,165</b>	<b>8,232.81</b>
(i) Investments outside India		-	-	-	-
(ii) Investments in India		7,157,165	8,089.33	7,357,165	8,232.81
<b>Total (B)</b>		<b>7,157,165</b>	<b>8,089.33</b>	<b>7,357,165</b>	<b>8,232.81</b>
Less:					
Allowance for impairment Loss ( C)		-	-	-	-
<b>Total net (A-C)</b>		<b>7,157,165</b>	<b>8,089.33</b>	<b>7,357,165</b>	<b>8,232.81</b>

Impairment loss allowance in the value of Investments till date in shares in respect of the above companies is as follows:-

**Aggregate value of Investments**

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate book value of unquoted investments	8,089.33	8,232.81
<b>Total</b>	<b>8,089.33</b>	<b>8,232.81</b>

**7 Other financial assets**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Accrued Income	20.09	0.10
Security deposits	524.98	308.61
Others	0.27	0.27
<b>Total</b>	<b>545.34</b>	<b>308.98</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**8 Current tax assets (net)**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Advance Income Tax (Net of provision)	-	160.82
<b>Total</b>	<b>-</b>	<b>160.82</b>

**9 Deferred tax assets**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Deferred tax liability on account of :		
- Depreciation and amortization due to timing difference	-	-
- Additional contribution to gratuity plan assets	-	-
<b>Total Deferred tax liability</b>	<b>-</b>	<b>-</b>
Deferred tax assets on account of :		
- Depreciation and amortization due to timing difference	(8.60)	10.52
- Additional contribution to gratuity plan assets	21.25	4.80
- created on Lease rent	3.12	0.49
- Unrealised loss on investments measured at FVPL	-	-
<b>Total Deferred tax assets</b>	<b>15.77</b>	<b>15.82</b>
<b>Net Deferred tax assets (A)</b>	<b>15.77</b>	<b>15.82</b>
MAT Credit entitlement (B)	-	-
<b>Total (a+b)</b>	<b>15.77</b>	<b>15.82</b>

*Movement in deferred tax balances*

(₹ in Lakhs)

Particular	As at 1 April 2023	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at 31 March 2024
Deferred tax liability on account of :				
- Depreciation and amortization due to timing difference	-	-	-	-
- Additional contribution to gratuity plan assets	-	-	-	-
<b>Total Deferred tax liability</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Deferred tax assets on account of :				
- Depreciation and amortization due to timing difference	10.52	19.13	-	(8.60)
- Additional contribution to gratuity plan assets	4.80	(15.33)	(1.12)	21.25
- Expected credit loss	0.49	(2.63)	-	3.12
- Unrealised loss on investments measured at FVPL	-	-	-	-
<b>Total Deferred tax assets</b>	<b>15.82</b>	<b>1.17</b>	<b>(1.12)</b>	<b>15.77</b>
<b>Deferred tax assets (net)</b>	<b>15.82</b>	<b>1.17</b>	<b>(1.12)</b>	<b>15.77</b>

*Movement in deferred tax balances*

(₹ in Lakhs)

Particular	As at 1 April 2022	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at 31 March 2023
Deferred tax liability on account of : <b>Total Deferred tax liability</b>	-	-	-	-
Deferred tax assets on account of :				
- Depreciation and amortization due to timing difference	11.55	1.03	-	10.52
- Additional contribution to gratuity plan assets	9.79	4.46	0.53	4.80
- Right to use assets	-	-	-	-
- Expected credit loss	7.33	6.84	-	0.49
- Unrealised loss on investments measured at FVPL	-	-	-	-
<b>Total Deferred tax assets</b>	<b>28.68</b>	<b>12.33</b>	<b>0.53</b>	<b>15.82</b>
<b>Deferred tax assets (net)</b>	<b>28.68</b>	<b>12.33</b>	<b>0.53</b>	<b>15.82</b>

**10 Property, plant and equipment**

(₹ in Lakhs)

Particular	Right to use asset - Lease building	Plant and equipments	Furniture and fixtures	Office Equipment	Vehicles	Total
<b>Gross carrying amount</b>						
<b>As at 1 April 2023</b>	-	42.33	225.85	40.07	7.25	315.51
Additions	869.40	82	40.04	15.63	24.19	1,031.14
Deductions and adjustments	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>869.40</b>	<b>124.21</b>	<b>265.90</b>	<b>55.70</b>	<b>31.44</b>	<b>1,346.65</b>
<b>Accumulated depreciation and impairment</b>						
<b>As at 1 April 2023</b>	-	41.46	207.78	39.43	6.89	295.55
Depreciation charged during the year	71.55	0.01	1.78	0.03	1.47	74.84
Disposals	-	-	-	-	-	-
<b>As at 31 March 2024</b>	<b>71.55</b>	<b>41.46</b>	<b>209.55</b>	<b>39.46</b>	<b>8.36</b>	<b>370.39</b>
<b>Net carrying amount as on 31 March 2024</b>	<b>805.85</b>	<b>82.75</b>	<b>56.34</b>	<b>16.23</b>	<b>23.08</b>	<b>976.25</b>
<b>Gross carrying amount</b>						
<b>AS at 1 April 2022</b>	-	42.33	225.85	40.07	7.25	315.51
Additions	-	-	-	-	-	-
Deductions and adjustments	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>-</b>	<b>42.33</b>	<b>225.85</b>	<b>40.07</b>	<b>7.25</b>	<b>315.51</b>
<b>Accumulated depreciation and impairment</b>						
AS at 1 April 2022	-	41.46	205.38	39.41	6.89	293.13
Depreciation charged during the year	-	-	2.40	0.02	-	2.42
Disposals	-	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>-</b>	<b>41.46</b>	<b>207.78</b>	<b>39.43</b>	<b>6.89</b>	<b>295.55</b>
<b>Net carrying amount as on 31 March 2023</b>	<b>-</b>	<b>0.87</b>	<b>18.09</b>	<b>0.63</b>	<b>0.37</b>	<b>19.97</b>

Refer note 37 for disclosure pertaining to assets taken on lease

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**11 Other non-financial assets**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Prepaid/Advance for expenses	16.22	7.36
Balance with government authorities	77.43	5.45
<b>Total</b>	<b>93.65</b>	<b>12.81</b>

**12 Payable**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
(i) Trade payable		
Total outstanding dues of micro enterprises and small enterprises	33.26	2.97
Total outstanding dues of other than micro enterprises and small enterprises	199.86	21.52
	233.12	24.49
(i) Other payable		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of other than micro enterprises and small enterprises	-	-
<b>Total</b>	<b>233.12</b>	<b>24.49</b>

**a) Disclosures requirement under section 22 of the Micro, Small & Medium Enterprises Development Act, 2006**

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
i) Principal amount and 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	-	-
iii) 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	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year	-	-
v) 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) Ageing schedule for FY 2023-24**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	33.26	-	-	-	33.26
(ii) Others	199.86	-	-	-	199.86
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**c) Ageing schedule for FY 2022-23**

(Rs in lakh)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	2.97	-	-	-	2.97
(ii) Others	21.52	-	-	-	21.52
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**13 Borrowings (other than debt securities)**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
(i) At amortised cost		
Term loans - secured		
Loan from Yes Bank	1,116.22	1,273.40
Vehicle Loan	18.81	-
(ii) Loan from Related party	-	-
(iii) At fair value through profit or loss	-	-
(iv) Designated at fair value through profit or loss	-	-
<b>Total</b>	<b>1,135.03</b>	<b>1,273.40</b>
Borrowings in India	1,135.03	1,273.40
<b>Total</b>	<b>1,135.03</b>	<b>1,273.40</b>

**Details of borrowings**

(₹ in Lakhs)

Particulars	Maturity Date	Terms of repayment	Coupon Rate	As at 31 March 2024	As at 31 March 2023
<b>Term loans - secured</b>					
Loan from Yes Bank	September 2020 to August 2024	36 monthly installments starting from September 2021	Floating interest rate @8.55% linked with Marginal Cost of Funds Lending Rate	39.09	126.96
Loan from Yes Bank	January 2020 to January 2030	121 monthly installments starting from January 2020	Floating interest rate @8.82% linked with 6 months Certificate of Deposit rate published by FBIL	164.45	181.51
Loan from Yes Bank	April 2018 to February 2034	191 monthly installments starting from April 2018	Floating interest rate @9.37% linked with Marginal Cost of Funds Lending Rate	914.01	966.72
Processing fees	-	-	-	(1.34)	-
Vehicle loan	September 2023 to August 2028	60 monthly installments starting from September 2023	in the range of 5% to 8%	18.81	-

**Notes:**

- Terms loan taken from Yes Bank are secured against the residential house property owned by Goldflag Exports Private Limited which is a Group Company

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**14 Subordinated liabilities**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
<b>At Amortised cost</b>		
Preference Share		
2,50,00,000 Non Convertible Redeemable Preference Shares is Rs. 10/- each (refer note 36)	902.50	822.70
<b>Total</b>	<b>902.50</b>	<b>822.70</b>
Subordinate Liabilities in India	902.50	822.70
Subordinate Liabilities Outside India	-	-
<b>Total</b>	<b>902.50</b>	<b>822.70</b>

**Details of subordinated liabilities**

(₹ in Lakhs)

Particulars	Maturity Date	Terms of repayment	Coupon Rate	As at 31 March 2024	As at 31 March 2023
Preference Share					
2,50,00,000 Non Convertible Redeemable Preference Shares if Rs. 10/- each	30 March 2035	Redeemable at par out of the profit available for distribution as dividend or out of the proceeds of a fresh issue for redemption.	Nil rates coupon, non cumulative	902.50	822.70

**Notes:**

1) 2,50,00,000 Non convertible Redeemable Preference Shares were issued for consideration other than cash.

**15 Other financial liabilities**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Lease liability (refer note 37)	761.19	-
Deposit	49.83	-
Employee benefits payable	344.72	6.24
Unpaid Dividend payable	17.40	17.40
<b>Total</b>	<b>1,173.14</b>	<b>23.64</b>

**16 Current tax liabilities (net)**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Income tax	98.83	-
<b>Total</b>	<b>98.83</b>	<b>-</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**17 Provisions**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits:		
- Gratuity	14.99	19.08
Guarantee liabilities	27.04	1.74
<b>Total</b>	<b>42.03</b>	<b>20.81</b>

**Information about provision and significant estimates**
**Movement in provisions for Guarantee liabilities**

(₹ in Lakhs)

<b>Balance as on 1 April 2022</b>	<b>33.41</b>
Addition of provision on account of new corporate guarantee issued	
Recognition of guarantee commission	<b>31.67</b>
<b>Provision as on 31 March 2023</b>	<b>1.74</b>
Addition of provision on account of new corporate guarantee issued	<b>25.30</b>
Recognition of guarantee commission	
<b>Provision as on 31 March 2024</b>	<b>27.04</b>

**Employee Benefit Obligation**
**Defined contribution plans**

During the year the Company has not made any defined contribution plans and is not required to do so by any applicable laws.

**Gratuity**

The company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Company's gratuity liability is funded.

The company has carried out the actuarial valuation of Gratuity liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1 April 2022</b>	<b>61.50</b>	<b>22.59</b>	<b>38.91</b>
Current service cost	1.00	-	1.00
Past service cost	-	-	-
Interest expense/(income)	-	-	-
Total amount recognised in profit and loss	<b>1.00</b>	-	<b>1.00</b>
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions	(9.70)	-	(9.70)
(Gain)/loss from change in financial assumptions	-	-	-



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Experience (gains)/losses	-	-	-
Actual Return on Plan assets	-	-	-
Total amount recognised in other comprehensive income	(9.70)	-	(9.70)
Employer contributions	-	-	-
Acquisition/Business Combination/Divestiture	-	11.14	(11.14)
Benefit payments	-	-	-
<b>As at 31 March 2023</b>	<b>52.80</b>	<b>33.73</b>	<b>19.07</b>

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1 April 2023</b>	<b>52.80</b>	<b>33.73</b>	<b>19.07</b>
Current service cost	10.03	-	10.03
Past service cost	-	-	-
Interest expense/(income)	3.62	2.41	1.21
Total amount recognised in profit and loss	<b>13.65</b>	<b>2.41</b>	<b>11.24</b>
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	19.77	(19.77)
Actual benefit paid	(3.52)	(3.52)	-
(Gain)/loss from change in financial assumptions	-	-	-
Actuarial (gains)/losses	5.15	0.70	4.44
Actual Return on Plan assets	-	-	-
Total amount recognised in other comprehensive income	<b>1.63</b>	<b>16.95</b>	<b>(15.33)</b>
Employer contributions	-	-	-
Acquisition/Business Combination/Divestiture	-	-	-
Benefit payments	-	-	-
<b>As at 31 March 2024</b>	<b>68.08</b>	<b>53.09</b>	<b>14.98</b>

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Present value of funded obligations	68.08	52.80
Fair value of plan assets	53.09	33.73
Deficit of funded plan	14.98	19.07

**Significant estimates: Actuarial assumptions and sensitivity**

The significant actuarial assumptions were as follows:

**Gratuity**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Discount rate	6.95%	7.15%
Salary escalation rate	10.00%	10.00%
Attrition rate		
Up to 45 years	15.00%	15.00%
Above 45 years	5.00%	5.00%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lakhs)

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Discount rate	+/- 1%	+/- 1%	(4.00)	(3.27)	4.41	3.63
Salary escalation rate	+/- 1%	+/- 1%	1.61	2.62	(2.24)	(2.11)

**Risk Exposure**

These plans typically expose the Company to actuarial risks such as: Longevity risk and salary risk.

**Maturity Analysis**

(₹ in Lakhs)

Particulars	Less than a year	Between 2-5 yrs	Between 6-10 yrs	Over 10 yrs	Total
<b>As at 31 March 2024</b>					
Defined Benefit Obligation	5.73	25.30	49.30	(12.25)	68.08
<b>Total</b>	<b>5.73</b>	<b>25.30</b>	<b>49.30</b>	<b>(12.25)</b>	<b>68.08</b>
<b>As at 31 March 2023</b>					
Defined Benefit Obligation	4.38	18.76	39.23	(9.57)	52.80
<b>Total</b>	<b>4.38</b>	<b>18.76</b>	<b>39.23</b>	<b>(9.57)</b>	<b>52.80</b>

**18 Other non-financial liabilities**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Others	3.41	1.71
Other payables:		
- Statutory remittances (Contributions to PF, Service Tax, GST etc.)	630.18	42.87
<b>Total</b>	<b>633.59</b>	<b>44.58</b>

**19 Equity Share Capital**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
(i) Authorized Share Capital		
2,00,00,000 Equity Shares (Previous Year 2,00,00,000) of Rs. 10/- each	2,000.00	2,000.00
(ii) Issued		
1,31,22,558 Equity shares (Previous Year 1,31,22,558 ) of Rs. 10/- each	1,312.26	1,312.26
(iii) Subscribed and fully paid		
1,29,80,258 Equity Shares (Previous Year 1 29 80 258) of Rs. 10/- each	1,298.03	1,298.03
(iv) Share forfeited		
1,42,300 Equity shares @ Rs.5/- (Previous Year: 1,42,300 Equity Shares)	7.12	7.12

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**Disclosures:**

- a) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Equity Shares	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount (₹ in Lakhs)	No. of Shares	Amount (₹ in Lakhs)
<b>Opening Balance</b>	<b>12,980,258</b>	<b>1,298.03</b>	<b>12,980,258</b>	<b>1,298.03</b>
Fresh Issue	-	-	-	-
Buy Back	-	-	-	-
<b>Closing Balance</b>	<b>12,980,258</b>	<b>1,298.03</b>	<b>12,980,258</b>	<b>1,298.03</b>

- b) **Rights, preferences and restrictions attached to equity shares**

The Equity shares of the Company having par value of Rs 10 - /per share rank paripassu in all respects, including voting rights, dividend entitlement and repayment of capital.

- c) **Equity Shares held by each shareholder holding more than 5% equity shares in the Company are as follows:**

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Systematix Holdings Private Limited (Formerly known as Superstar Exports Private Limited)	8,862,276	68.28	8,862,276	68.28
Shashikant Jain	1,076,360	8.29	1,076,360	8.29

- d) **Objectives, policies and processes for managing capital.**

The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence to sustain future development of the business. For the purpose of the Company's capital management, capital includes issued capital and other equity reserves.

- e) **Promoters Shareholding**

		Shares held by promoters at the end of the year				
		As at 31 March 2024		As at 31 March 2023		As at 31 March 2024
S No	Promoter Name	No of Shares	% of Total Shares	No of Shares	% of Total Shares	% Change (Dec) / Inc
1	Chandra Prakash Khandelwal	295,528	2.28%	281,839	2.17%	0.11%
2	Nikhil Khandelwal	418,566	3.22%	418,566	3.22%	0.00%
3	Anju Khandelwal	50,803	0.39%	50,803	0.39%	0.00%
4	Chandra Prakash Khandelwal HUF	6,496	0.05%	6,496	0.05%	0.00%
5	Priyanka Khandelwal	1,000	0.01%	1,000	0.01%	0.00%
6	Systematix Holdings Private Limited (Formerly known as Superstar Exports Private Limited)	8,862,276	68.28%	8,862,276	68.28%	0.00%
	<b>Total</b>	<b>9,634,669</b>	<b>74.23%</b>	<b>9,620,980</b>	<b>74.12%</b>	

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**20 Other equity**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
<b>(i) Reserve &amp; Surplus</b>		
Capital Reserve	228.64	228.64
Securities Premium	1,865.02	1,865.02
General Reserve	44.47	44.47
Retained Earnings	5,748.84	3,560.02
<b>Total</b>	<b>7,886.97</b>	<b>5,698.15</b>

\*Refer SOCIE for the movement in each of the items

**Nature and purpose of each reserve**

<b>Capital Reserve</b>	Capital reserve is created out of Share Warrant forfeited in FY 2008-09.
<b>Securities Premium</b>	Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.
<b>General Reserve</b>	General Reserve is created out of Profit and Loss account surplus balance generated every year.
<b>Retained earnings</b>	The balance in retained earnings primarily represents the surplus after payment of dividend (including tax on dividend) and transfer to reserves.

**21 Interest income**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
(a) On financial assets measured at fair value through OCI	-	-
(b) On financial assets measured at amortised cost		
Interest on loans (refer note 36)	23.64	48.87
Interest on deposits with banks	26.04	8.22
Interest on Income tax refund	5.86	2.49
<b>Total</b>	<b>55.54</b>	<b>59.58</b>

**22 Fees**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Financial advisory services	5,519.35	2,693.66
<b>Total</b>	<b>5,519.35</b>	<b>2,693.66</b>

There are no unsatisfied long term contracts.

**23 Impairment on financial instruments**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
On financial instruments measured at amortized cost		
Expected credit loss	-	-
Trade receivables	0.90	27.18
<b>Total</b>	<b>0.90</b>	<b>27.18</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**24 Other income**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Profit on MF and Investment	-	4.42
Miscellaneous income	0.01	-
Guarantee Commission Income	12.22	45.22
Exchange Gain and Loss	(0.24)	(0.48)
Other Income	-	7.36
<b>Total</b>	<b>11.99</b>	<b>56.52</b>

**25 Net gain on fair value changes/(Net loss on fair value changes)**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
(i) Net loss on financial instruments at fair value through Profit and Loss		
(a) On trading portfolio		
- Investments	-	0.80
<b>Total</b>	<b>-</b>	<b>0.80</b>

**26 Finance costs**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Interest on borrowings	127.81	122.92
Interest on lease liability	21.10	-
Interest on Subordinated Liability	79.80	72.75
Other Borrowing Cost	0.45	0.50
<b>Total</b>	<b>229.16</b>	<b>196.16</b>

**27 Employee Benefit Expenses**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, bonus and allowances	1,128.55	882.22
Provision for Gratuity	11.24	8.86
Staff welfare expenses	9.62	4.66
<b>Total</b>	<b>1,149.41</b>	<b>895.74</b>

**28 Depreciation, amortisation and impairment**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation & amortisation		
on property, plant and equipment	3.29	2.42
on right to use assets	71.55	-
<b>Total</b>	<b>74.84</b>	<b>2.42</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**29 Other expenses**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Rent, taxes and energy costs (refer note 36)	405.25	421.28
Repair and maintenance (refer note given below)	20.86	20.06
Advertisement and publicity	1.42	1.25
Director's fee, allowances and expenses* (refer note 36)	11.80	13.50
Auditor's fees (refer note given below)	1.50	1.50
Legal and professional charges (refer note 36)	572.98	618.17
Travelling and conveyance	46.40	33.80
Business promotion	10.27	7.74
CGST and SGST Disallowances	1.09	4.06
Bad Debts	1.21	28.60
Commission and Brokerage	18.00	-
Housekeeping Expenses	14.76	13.59
Miscellaneous expenditure	67.96	34.05
<b>Total</b>	<b>1,173.50</b>	<b>1,197.60</b>

\* Includes Reverse Charges

**Details of Auditor's fees and expenses**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Audit Fees	1.50	1.50
<b>Total</b>	<b>1.50</b>	<b>1.50</b>

**Repair and Maintenance**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Repairs to Building	12.51	10.80
Other Repairs and Maintenance	8.34	9.26
<b>Total</b>	<b>20.86</b>	<b>20.06</b>

**30 Tax expense**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Current tax		
- Current tax	765.10	138.87
- Earlier year	2.22	-
	<b>767.33</b>	<b>138.87</b>
Deferred tax	1.17	12.33
<b>Total</b>	<b>768.49</b>	<b>151.20</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**Reconciliation of current rate of tax and effective rate of tax:**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Profit/(loss) before income tax	2,960.68	545.64
Enacted tax rates in India (%)	25.17%	25.17%
Computed expected tax expenses	745.20	139.37
Change in opening deferred tax assets due to change in rate from 26% to 25.17%	-	-
Reversal of excess provision of earlier years	2.22	-
Permanent difference on which deferred tax assets/liability not created	20.79	6.93
Brought forward loss of previous year adjusted against current year loss and on which no deferred tax assets was created	-	(145.90)
Others	0.28	151.20
<b>Income Tax expenses - Net</b>	<b>768.49</b>	<b>151.59</b>

**Temporary differences, unused tax losses and unused tax credit on which deferred tax assets is not recognised**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	-	(553.17)
Potential tax benefit @25.17% (P.Y. 26%)	-	139.22

**31 Earnings per share**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
(i) Basic earnings per share		
Profit attributable to the equity holders of the Company	2,192.20	394.45
Total basic earnings per share attributable to the equity holders of the Company	16.89	3.04
(ii) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	12,980,258	12,980,258

**32 Contingent liabilities and commitment**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
<b>(i) Contingent liabilities:</b>		
Income Tax Demand Contested in Appeals-Assessment year 2017-18	19.03	19.03
Appeal filed before Commissioner of Income Tax Appeals		
On account of guarantees given to Banks on behalf of Group Companies	4,000.00	10,400.00

**33 Assets pledged as security**

The Company has taken a term loan from yes bank against which residential property owned by Goldflag Exports Private Limited is given as a security.



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**34 Net debt reconciliation :**

This section sets out an analysis of net debt and the movements in net debts for the year ended 31 March 2024

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
<b>Borrowings</b>		
Secured loan	1135.03	1273.40
Preference shares	902.50	822.70
Lease liability	761.19	-
<b>Total net debt</b>	<b>2,798.72</b>	<b>2,096.10</b>

(₹ in Lakhs)

Particular	Lease liability	Preference shares	Secured loan	Total
<b>Net debt as on 31 March 2022</b>	<b>(0.00)</b>	<b>(749.95)</b>	<b>(1,433.70)</b>	<b>(2,183.66)</b>
Notional interest cost using EIR method	-	(72.75)	-	(72.75)
Additional loan received	-	-	-	-
Interest cost using EIR method	-	-	(0.65)	(0.65)
Disposal of Lease Assest	-	-	-	-
Amortization of upfront fees	-	-	(3.00)	(3.00)
Repayment	-	-	163.95	163.95
<b>Net debt as on 31 March 2023</b>	<b>(0.00)</b>	<b>(822.70)</b>	<b>(1,273.40)</b>	<b>(2,096.10)</b>
Notional interest cost using EIR method	-	(79.80)	-	(79.80)
Additional loan received	(740.09)	-	(21.00)	(761.09)
Interest cost using EIR method	(21.10)	-	(0.21)	(21.31)
Disposal of Lease Assest	-	-	-	-
Amortization of upfront fees	-	-	(0.45)	(0.45)
Repayment	-	-	160.03	160.03
<b>Net debt as on 31 March 2024</b>	<b>(761.19)</b>	<b>(902.50)</b>	<b>(1,135.03)</b>	<b>(2,798.72)</b>

**35 Segment revenue**
**Description**

The company's chief operating decision maker is the Managing Director (MD) who examines the company's performance both from a services and geographic perspective and has identified single reportable segment of its business. The company is engaged in Merchant Banking services which falls within a single business segment. The segment revenue is measured in the same way as in the statement of profit or loss.

The Company has a single operating segment that is "Merchant Banking". Accordingly, the segment revenue, segment results, segment assets and segment liabilities is reflected in the financial statements as of and for the financial year ended 31 March 2024.

**Information about primary business segment:**

The Company's business segment is "Merchant Banking" and it has no other primary reportable segments. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liability, total cost incurred to acquire segment assets and total amount charge for depreciation during the period, is as reflected in the Financial Statements as of and for the financial year ended 31 March 2024.

**Information about geographical areas:**

The Company caters to the needs of the domestic market and hence there are no reportable geographical segments for the financial year ended 31 March 2024.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**36 Related party transactions**
**(i) Details of related parties**

Description of relationship	Names of related party
<b>Holding company</b>	Systematix Holdings Private Limited ( formerly known as Superstar Exports Private Limited)
<b>Wholly owned subsidiaries</b>	Systematix Fincorp India Limited Systematix Finvest Private Limited Systematix Shares and Stocks (India) Limited Systematix Commodities Services Private Limited Systematix Ventures Private Limited
<b>Presumption of significance influence</b>	Ceepeek Real Estate Private Limited First Lady Housing Private Limited Funsign Real Estate Private Limited Goldflag Exports Private Limited Goldlife Trading Company Private Limited Magicline Trading Company Private Limited Nikunj Mercantile Private Limited Perspire Builders and Developers Private Limited Rangsharda Properties Private Limited Riteplaza Trading Company Private Limited Shiv Shakti Real Estate Private Limited Shubham Mangalam Real Estate Private Limited Snehvardhini Properties Private Limited Swaraj Apartments Private Limited Systematix Assets Management Company Private Limited Systematix Capital Services Private Limited Systematix Distributions Services Private Limited Tekpoint Properties Private Limited Thirdwave Mercantile Company Private Limited Topcity Trading Company Private Limited Urban Affordable Housing LLP Wonderdream Realtors Private Limited Divisha Alternate Investments Manager LLP Divisha Alternate Investments LLP Divisha developers LLP Divisha Lifestyle LLP Divisha Real Estate Advisors LLP Divisha Realty LLP NHI Developers LLP
<b>Key managerial personnel</b>	Nikhil Khandelwal Anju Khandelwal Sanjay Lalchand Khandelwal Priyanka Khandelwal Rakesh Mehta Shriram Khandelwal Anil Bhagchandani Divyesh Badiyani

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**(ii) Compensation (remuneration to KMP)**

(₹ in Lakhs)

For the year ended 31 March 2024		Short-term employee benefits	Post-employment benefits	Long-term employee benefits	Total
Nikhil Khandelwal	Director	30.00	-	-	30.00
Priyanka Khandelwal	Director	12.00	-	-	12.00
Anil Bhagchandani	CFO	30.84	-	-	30.84
Divyesh Badiyani	CS	6.39	-	-	6.39

**(iii) Transactions with related parties**

(₹ in Lakhs)

Nature of Transaction	Name	Year ended 31 March 2024	Year ended 31 March 2023
Rent	Thirdwave Mercantile Company Private Limited	15.00	15.00
	Swaraj Apartments P Ltd	1.80	1.80
	Goldflag Exports Private Limited	27.00	17.70
Director Sitting Fees	Anju Khandelwal	2.40	2.90
	Shriram Surajmal Khandelwal	2.70	3.30
	Sanjay Khandelwal	3.10	3.60
	Rakesh Mehta	3.10	3.70
	Sampath Kumar	0.50	-
Reimbursement For Electricity	Thirdwave Mercantile Company Private Limited	0.52	0.72
Loan taken	Nikhil Khandelwal	50.00	-
Loan repaid	Nikhil Khandelwal	50.00	-
Loan given	Systematix Finvest Private Limited	25.00	1,132.00
Loan received back	Systematix Finvest Private Limited	297.09	1,010.66
Interest charged on loan	Systematix Finvest Private Limited	3.79	26.77
Loan given	Urban Affordable Housing LLP	-	18.00
Loan repaid	Urban Affordable Housing LLP	-	48.00
Loan given	Systematix Shares and Stocks (India) Limited	6,256.00	1,580.00
Loan repaid	Systematix Shares and Stocks (India) Limited	6,260.88	1,580.00
Interest charged on loan	Systematix Shares and Stocks (India) Limited	4.88	-
DP charges	Systematix Shares and Stocks (India) Limited	0.01	-
Gratuity Fund	Systematix Shares and Stocks (India) Limited	10.51	-
Insurance expense	Systematix Shares and Stocks (India) Limited	0.50	-
Corporate Guarantee Commission	Systematix Shares and Stocks (India) Limited	12.22	45.22
Loan Taken	Systematix Fincorp India Limited	90.00	-
Loan & interest repaid	Systematix Fincorp India Limited	90.68	-
Interest charged on loan	Systematix Fincorp India Limited	0.68	-
Gratuity Receivable	Systematix Fincorp India Limited	-	37.18
	Systematix Finvest Private Limited	-	3.34
Gratuity Paid	C. P. Khandelwal	-	7.27

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**
**(iv) Outstanding balances**

(₹ in Lakhs)

Nature of transactions		As at 31 March 2024	As at 31 March 2023
Loan Given	Systematix Finvest Private Limited	-	266.25
Interest receivable	Systematix Finvest Private Limited	-	2.06
Outstanding Preference Shares	Systematix Holdings Private Limited (formerly known as Superstar Exports Private Limited)	2,500.00	2,500.00
Outstanding Equity Shares	Systematix Holdings Private Limited (formerly known as Superstar Exports Private Limited)	886.23	886.23
Investment in Equity Shares(Corporate Guarantee)	Systematix Shares and Stocks (India) Limited	4,000.00	10,400.00
Investment in Current A/c	Divisha Alternative Investment LLP	(3.36)	(1.66)
Investment in Equity Shares	Systematix Finvest Private Limited	1,100.99	1,100.99
	Systematix Commodities Services Private Limited	312.13	312.13
	Systematix Fincorp India Limited	1,427.58	1,427.58
	Systematix Shares and Stocks (India) Limited	5,209.48	5,177.97
	Divisha Alternative Investment LLP	5.60	5.60
	Systematix Ventures Private Limited	33.54	33.54

**(v) Terms and conditions:**

All related party transactions entered during the year were in ordinary course of business and are on arm's length basis.

**37 Leases**

The Company had taken a Building on operating lease for using as office space till previous year.

**(a) Amount recognised in balance sheet**

The balance sheet shows the following amounts relating to leases:

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Right to use assets</b>		
Building	797.85	-
<b>Total</b>	<b>797.85</b>	<b>-</b>

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liabilities	761.19	0.00
<b>Total</b>	<b>761.00</b>	<b>0.00</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

- (b) Amount recognised in the statement of profit and loss  
Right to use assets

(₹ in Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amortization charge- Building	71.55	-
Interest expenses	21.10	-
Expenses relating to short-term leases (Included in other expenses) (Refer note 29)	299.15	402.45
<b>Total</b>	<b>391.80</b>	<b>402.45</b>

- (c) Maturity analysis of lease liabilities

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years
Lease liabilities	761.19	150.57	610.62	-

**38 Financial instruments**
**(i) Financial instruments by category**

The carrying value and fair value of financial instruments by categories as on 31 March 2024 is as follows:

(₹ in Lakhs)

Particulars	Carrying value		Fair value			
	Amortised cost	FVTPL	Level - 1	Level - 2	Level - 3	Total
<b>I. Financial assets</b>						
Cash and cash equivalents	3,610.47	-	-	-	3,610.47	<b>3,610.47</b>
Bank balances other than above	17.40	-	-	-	17.40	<b>17.40</b>
Receivables						
(i) Trade receivables	62.13	-	-	-	62.13	<b>62.13</b>
(ii) Other receivables	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Other financial assets	545.34	-	-	-	545.34	<b>545.34</b>
<b>Total financial assets</b>	<b>4,235.34</b>	-	-	-	<b>4,235.34</b>	<b>4,235.34</b>
<b>Financial Liabilities</b>						
Payable						
(i) Trade payable						
- total outstanding dues of micro enterprises and small enterprises	33.26	-	-	-	33.26	<b>33.26</b>
- total outstanding dues of other than micro enterprises and small enterprises	199.86	-	-	-	199.86	<b>199.86</b>
Borrowings (other than debt securities)	1,135.03	-	-	-	1,135.03	<b>1,135.03</b>
Subordinated Liabilities	902.50	-	-	-	902.50	<b>902.50</b>
Other financial liabilities	1,173.14	-	-	-	1,173.14	<b>1,173.14</b>
<b>Total financial liabilities</b>	<b>3,443.79</b>	-	-	-	<b>3,443.79</b>	<b>3,443.79</b>

The carrying value and fair value of financial instruments by categories as on 31 March 2023 is as follows:

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)**

(₹ in Lakhs)

Particulars	Carrying value		Fair value			
	Amortised cost	FVTPL	Level - 1	Level - 2	Level - 3	Total
<b>I. Financial assets</b>						
Cash and cash equivalents	156.70	-	-	-	156.70	<b>156.70</b>
Bank balances other than above	17.40	-	-	-	17.40	<b>17.40</b>
Receivables						
(i) Trade receivables	19.33	-	-	-	19.33	<b>19.33</b>
(ii) Other receivables	-	-	-	-	-	<b>-</b>
Loans	268.31	-	-	-	268.31	<b>268.31</b>
Investments	-	-	-	-	-	<b>-</b>
Other financial assets	308.98	-	-	-	308.98	<b>308.98</b>
<b>Total financial assets</b>	<b>770.71</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>770.71</b>	<b>770.71</b>
<b>Financial Liabilities</b>						
Payable						
(i) Trade payable						
- total outstanding dues of micro enterprises and small enterprises	2.97	-	-	-	2.97	<b>2.97</b>
- total outstanding dues of other than micro enterprises and small enterprises	21.52	-	-	-	21.52	<b>21.52</b>
Borrowings (other than debt securities)	1,273.40	-	-	-	1,273.40	<b>1,273.40</b>
Subordinated Liabilities	822.70	-	-	-	822.70	<b>822.70</b>
Other financial liabilities	23.64	-	-	-	23.64	<b>23.64</b>
<b>Total financial liabilities</b>	<b>2,144.23</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,144.23</b>	<b>2,144.23</b>

**(ii) Fair Value Hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

There were no transfers between any levels during the year.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures which are included in level 3.

During the year there were no transfers between level 1 and level 2. Similarly there were no transfer from or transfer to level 3.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

### 39 Financial risk management

The Company's business activities expose it to a variety of financial risks, namely credit risk and liquidity risk.

#### (i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

The Company has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e., port services provided by the Company. The Company ensures concentration of credit does not significantly impair the financial assets. The Company, based on the credit information available with its, has provided expected credit loss. Rest of the exposure is to the Customers which are well established and from reputed industries.

#### *Expected credit loss for trade receivables under simplified approach*

(₹ in Lakhs)

Particulars	Amount
Year ended 31 March 2024	1.07
Year ended 31 March 2023	1.96

#### (ii) Management of liquidity risk:

Liquidity risk is the risk that the Company will fail in meeting its obligations associated with its financial liabilities. The Company's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Company's credit rating and impair investor confidence.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
<b>As at 31 March 2024</b>					
Payable	233.12	233.12	-	-	233.12
Borrowings (other than debt securities)	1,135.03	114.82	528.47	491.73	1,135.03
Subordinated Liabilities	902.50	-	-	2,500.00	2,500.00
Other financial liabilities	1,173.14	495.28	677.85	-	1,173.14
<b>Total</b>	<b>3,443.79</b>	<b>843.22</b>	<b>1,206.33</b>	<b>2,991.73</b>	<b>5,041.28</b>

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
<b>As at 31 March 2023</b>					
Payable	24.49	24.44	-	0.05	24.49
Borrowings (other than debt securities)	1,273.40	138.37	537.58	597.45	1,273.40
Subordinated Liabilities	822.70	-	-	2,500.00	2,500.00
Other financial liabilities	-	-	-	-	-
<b>Total</b>	<b>2,120.59</b>	<b>162.81</b>	<b>537.58</b>	<b>3,097.50</b>	<b>3,797.89</b>



**(iii) Financing arrangements**

The company had access to following undrawn borrowing facilities at the end of reporting period:

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Expiring within one year	-	-
Expiring beyond one year	-	-
	-	-

**(iv) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk, currency risk and price risk. Financial instruments affected by market risk include borrowings and investments measured at FVTPL.

**(a) Interest rate risk**

Exposure at the year end is as follow:

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Variable rate borrowings	1,116.22	1,273.40
Fixed rate borrowings	902.50	822.70
<b>Total borrowings</b>	<b>2,018.71</b>	<b>2,096.10</b>

An analysis by maturities is provided in Liquidity risk note above.

**Sensitivity**

Profit or loss is sensitive to higher / lower interest expense as a result of changes in interest rates. A 20 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. With all other variables held constant, the Company's profit before tax will be impacted by a change in interest rate as follows:

(₹ in Lakhs)

Particulars	Increase / (Decrease) in profit before tax	
	Year ended 31 March 2024	Year ended 31 March 2023
Increase in interest rate by 20 basis points (20 bps)	(2.24)	(2.55)
Decrease in interest rate by 20 basis points (20 bps)	2.24	2.55

**(b) Price risk**

Exposure at the year end is as follow:

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Equity instruments (Fair Value through profit and loss)	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Sensitivity**

Profit or loss is sensitive to fair value change in investment value as a change in market price. A 10 percentage increase or decrease is used when reporting price risk internally to key management personnel and represents management's assessment of the reasonably possible change in price risk. With all other variables held constant, the Company's profit before tax will be impacted by a change in price as follows:

(₹ in Lakhs)

Particulars	Increase / (Decrease) in profit before tax	
	As at 31 March 2024	As at 31 March 2023
Increase in price by 10%	-	-
Decrease in price by 10%	-	-

#### 40 Capital management

##### Risk management

Equity share capital, other equity and secured borrowings from the banks are considered for the purpose of Company's capital management. The Company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may borrow from external parties such as banks or financial institutions. The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain shareholder, creditor and stakeholder confidence to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

#### 41 Disclosure related to funds borrowed from banks and financial institutions

The Company has no borrowings from banks or financial institutions on the basis of security of current assets.

#### 42 Willful Defaulter

The company is not declared willful defaulter by any bank or financial Institution or other lender as on 31st March, 2024.

#### 43 Relationship with Struck off Companies

The company has transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 as on 31st March, 2024.

#### 44 Registration of charges or satisfaction

There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period i.e. 31st March, 2024.

#### 45 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

#### 46 Ratios

Ratio	2023-24	2022-23	% Variance	Reason for variance (if above 25%)
<b>Capital to risk-weighted assets ratio (CRAR)</b>				
Total of Tier 1 & Tier 2 (Numerator)	9850.20	7581.52	-	-
Risk Adjusted Assets (Denominator)	9791.15	8555.91	-	-
Ratio	101%	89%	12%	-
Tier I CRAR	8,947.70	6,758.82	-	-
Tier II CRAR	902.50	822.70	-	-
Liquidity Coverage Ratio.	-	-	0%	-

#### 47 Corporate Social Responsibility (CSR)

The company is covered under section 135 of the companies act, 2013 as on 31st March, 2024.

**48 Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year as on 31st March, 2024.

**49 Utilisation of Borrowed funds and share premium**

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding regarding utilisation of borrowed funds and share premium.

In terms of our report for even date attached

For and on behalf of the Board of Directors

For **Shah & Taparia**  
Chartered Accountants  
FRN NO : 109463W

**Nikhil Khandelwal**  
Managing Director  
DIN: 00016387

**Anju Khandelwal**  
Director  
DIN: 00474604

**Narottam Shah**  
Partner  
M NO.106355

**Divyesh Badiyani**  
Company Secretary

**Anil Bhagchandani**  
Chief Financial Officer

Mumbai  
Date: 10.05.2024

**INDEPENDENT AUDITOR'S REPORT**
**To The Members of  
SYSTEMATIX CORPORATE SERVICES LIMITED**
**Report on the Audit of the Consolidated Financial Statements**
**Opinion**

We have audited the consolidated financial statements of SYSTEMATIX CORPORATE SERVICES LIMITED ("The Parent Company") and its subsidiaries (The Parent Company and its subsidiaries together referred to as "The Group") and its associate, which comprise the Consolidated Balance Sheet as at 31 March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year ended on that date, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate audited financial statements and on the other financial information of the subsidiaries and associate, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ("Ind AS") specified under section 133 of the Act, of the consolidated state of affairs of the Group and its associate as at 31 March 2024, and their consolidated profit (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

SR NO	KEY AUDIT MATTERS	AUDITOR'S RESPONSE
1	<p><b>Revenue from Operations</b></p> <p>Revenue from operations mainly comprises of revenue from investment banking services which includes lead manager's fees, underwriting commission, fees for mergers, acquisitions and advisory assignments; and arranger's fees for mobilizing debt funds.</p> <p>Revenue is recognized when the services for the transaction are determined to be completed or when specific obligations are determined to be fulfilled as per the terms of the engagement.</p> <p>The variety and number of obligations within the contracts can make it complex and requires significant judgement of management to determine completion of the performance condition associated with the revenue. Due to this complexity and significant level of judgement involved, we have identified Revenue from operations a Key Audit Matter in respect of consolidated financial statements.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our key audit procedures included:</p> <ul style="list-style-type: none"> <li>– Obtained process understanding and tested the design and implementation of the controls established by the Parent Company for revenue recognition.</li> <li>– For selected samples, evaluated fulfilment of the performance obligations as per the terms of engagement with customers by checking the underlying documents.</li> <li>– Obtained corroboration from the business teams on the open mandates and checked the reconciliation prepared by the Parent Company between the open mandates and the revenue recognized in the books of accounts.</li> </ul>

**2 Allowances for expected credit losses ('ECL'):**

As at 31 March 2024, the carrying value of loan assets measured at amortised cost, aggregated ₹1,644.90 lakhs constituting approximately 5.72 % of the Group's total assets.

Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL on such loan assets is a critical estimate involving greater level of management judgement.

As part of our risk assessment, we determined that ECL on such loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the consolidated financial statements. The elements of estimating ECL which involved increased level of audit focus are the following:

- Qualitative and quantitative factors used in staging the loan assets measured at amortised cost;
- Basis used for estimating probabilities of default ('PD'), loss given default ('LGD') and exposure at default ('EAD') at product level with past trends;
- Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and
- Adjustments to model driven ECL results to address emerging trends.

(Refer note no. 6 to the consolidated financial statements).

**Principal Audit Procedures**

We have examined the policies approved by the Boards of Directors of the Parent Company and of the subsidiary that articulate the objectives of managing each portfolio and their business models. We have also verified the methodology adopted for computation of ECL ('ECL Model') that addresses policies approved by the Boards of Directors, procedures, and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. Additionally, We have confirmed that adjustments to the output of the ECL Model are consistent with the documented rationale and basis for such adjustments and that the amount of adjustment has been approved by the Audit Committee of the Board of Directors. Our audit procedures related to the allowance for ECL included the following, among others:

Testing the design and operating effectiveness of the following:

- Completeness and accuracy of the exposure at default and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied;
- Completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio;
- Accuracy of the computation of the ECL estimate including methodology used to determine macroeconomic overlays and adjustments to the output of the ECL Model; and
- Consideration of the rules and regulations of the governing laws for the time being in force.

Test of details on a sample basis in respect of the following:

- Accuracy and completeness of the input data such as period of default and other related information used in estimating the PD.
- The mathematical accuracy of the ECL computation by using the same input data as used by the Group.
- Completeness and accuracy of the staging of the loans and the underlying data based on which the ECL Estimates have been computed.
- Evaluating the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model to ensure that the adjustment was in conformity with the overlay amount approved by the Audit Committee of the Group.

## Other Information

The Parent Company's management and the Board of Directors are responsible for the preparation of the other information. The other information in the Annual Report of the Parent Company comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

When we will read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent Company's management and the Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Management and the Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company as aforesaid.

In preparing the consolidated financial statements, the respective Management and the Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of associate are also responsible for overseeing the financial reporting process of the Group and of associate.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management and Board of Directors.
- Conclude on the appropriateness of management's and Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Parent Company and such other entities regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit 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 of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.



- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Parent Company as on 31 March 2024 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary companies and associates incorporated in India, none of the directors of the Group companies and associates incorporated in India is disqualified as on 31 March 2024 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 and the operating effectiveness of such controls; refer to our separate Report in "Annexure B".
3. 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The consolidated financial statements disclose impact of pending litigations on the consolidated financial position of the Group – Refer Note No 34 to the consolidated financial statements.
  - ii. Based on the information and explanations provided to us, the Group does not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses during the year ended 31 March 2024.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent company and its subsidiaries incorporated in India during the year ended 31 March, 2024.
  - iv.
    - (a) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The respective Managements of the Parent Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - v. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Parent Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
  - vi. The parent company has neither declared nor paid any dividend during the year; hence reporting in respect of compliance under section 123 of the Act is not applicable.

- vii. Based on our examination which included test checks, performed by us on the parent company and based on the auditor's report of the subsidiaries incorporated in India, the parent company and its subsidiaries incorporated in India have used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with.
4. With respect to the matter to be included in the Auditors' report under Section 197(16) of the Act; in our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Parent Company is in accordance with the provisions of Section 197 of the Act.

**For SHAH & TAPARIA**  
**Chartered Accountants**  
**(Firm Regn No 109463W)**

**NAROTTAM SHAH**  
**Partner**  
**M. No. 106355**  
**UDIN: 24106355BKGFGN4954**  
**Place: Mumbai**  
**Date: 10.05.2024**

**Annexure A to the Independent Auditor's report on the Consolidated Financial Statements of SYSTEMATIX CORPORATE SERVICES LIMITED for the year ended 31 March 2024**

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent Company and its subsidiaries included in the consolidated financial statements of the Parent Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For SHAH & TAPARIA**  
**Chartered Accountants**  
**(Firm Regn No 109463W)**

**NAROTTAM SHAH**  
**Partner**  
**M. No. 106355**  
**UDIN: 24106355BKGFGN4954**  
**Place: Mumbai**  
**Date: 10.05.2024**

## **Annexure “B” to the Independent Auditor’s Report**

**(Referred to in paragraph 2 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of SYSTEMATIX CORPORATE SERVICES LIMITED of even date)**

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

In conjunction with our audit of the consolidated financial statements of the Parent Company as of and for the year ended 31 March 2024, we have audited the internal financial controls over financial reporting of SYSTEMATIX CORPORATE SERVICES LIMITED (hereinafter referred to as “Parent Company”) and its subsidiary companies and its associate, which are companies incorporated in India, as of that date.

### **Management’s Responsibility for Internal Financial Controls**

The respective Parent company’s management and the Board of Directors of the respective Companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective Companies 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 (“the 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 respective Parent 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 Act.

### **Auditor’s Responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Parent Company and its subsidiary companies and its associate, which are companies incorporated in India, 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”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 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 internal financial controls system over financial reporting with reference to the Consolidated Financial Statements.

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

A Parent 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 Parent 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 Parent 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 receipts and expenditures of the Parent company are being made only in accordance with authorizations of management and directors of the Parent company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Parent 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 and to the best of our information and according to the explanations given to us, the Parent Company and its subsidiary companies and its associate, which are companies incorporated in India, have, 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 2024, based on the internal control over financial reporting criteria established by the respective companies 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 SHAH& TAPARIA**  
**Chartered Accountants**  
**(Firm Regn No 109463W)**

**NAROTTAM SHAH**  
**Partner**  
**M. No. 106355**  
**UDIN: 24106355BKGFGN4954**  
**Place: Mumbai**  
**Date: 10.05.2024**

**CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2024**

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
<b>ASSETS</b>			
<b>I. Financial assets</b>			
Cash and cash equivalents	3	6,244.59	768.94
Bank balances other than above	4	11,262.69	5,925.59
Receivables			
(i) Trade receivables	5	1,471.36	952.18
(ii) Other receivables		-	-
Loans	6	1,644.90	3,677.61
Investments	7	4,122.31	2,489.90
Other financial assets	8	4,014.84	3,143.17
		<b>28,760.69</b>	<b>16,957.38</b>
<b>III. Non-financial assets</b>			
Current tax assets (net)	9	32.74	330.44
Deferred tax assets (net)	10	-	29.67
Property, plant and equipment	11	1,221.58	265.10
Intangible assets	12	448.08	338.64
Other non-financial assets	13	379.15	206.77
		<b>2,081.55</b>	<b>1,170.62</b>
<b>Total Assets</b>		<b>30,842.24</b>	<b>18,128.00</b>
<b>LIABILITIES AND EQUITY</b>			
<b>I. LIABILITIES</b>			
<b>Financial Liabilities</b>			
Payable	14		
(i) Trade payable			
- Total outstanding dues of micro enterprises and small enterprises		97.98	7.76
- Total outstanding dues of other than micro enterprises and small enterprises		10,830.52	5,586.44
(ii) Other payable		-	-
- Total outstanding dues of micro enterprises and small enterprises		-	-
- Total outstanding dues of other than micro enterprises and small enterprises		6.36	10.56
Borrowings (other than debt securities)	15	1,153.84	1,273.40
Subordinated Liabilities	16	902.50	822.70
Other financial liabilities	17	1,356.02	295.03
		<b>14,347.22</b>	<b>7,995.89</b>
<b>Non-financial Liabilities</b>			
Current tax liabilities (net)	18	57.63	6.98
Provisions	19	94.19	89.17
Deferred tax liabilities (net)	10	339.49	-
Other non-financial liabilities	20	772.27	126.63
		<b>1,263.58</b>	<b>222.78</b>
<b>II. EQUITY</b>			
Equity Share Capital	21	1,305.14	1,305.14
Other equity	22	13,926.30	8,604.19
		<b>15,231.44</b>	<b>9,909.33</b>
<b>Total Liabilities and Equity</b>		<b>30,842.24</b>	<b>18,128.00</b>

The above balance sheet should be read in conjunction with the accompanying notes 1 to 51

In terms of our report for even date attached

For **Shah & Taparia**  
Chartered Accountants  
FRN NO : 109463W

**Narottam Shah**  
Partner  
M NO. 106355

Mumbai  
Date: 10.05.2024

For and on behalf of the Board of Directors

**Nikhil Khandelwal**  
Managing Director  
DIN: 00016387

**Divyesh Badiyani**  
Company Secretary

**Anju Khandelwal**  
Director  
DIN: 00474604

**Anil Bhagchandani**  
Chief Financial Officer

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2024**

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
<b>Income</b>			
Revenue from operations			
Interest income	23	1,271.71	717.78
Service income	24	10,825.72	6,446.01
Net gain on fair value changes	25	1,611.45	88.41
Impairment on financial instrument reversal	28		
<b>Total revenue from operation</b>		<b>13,708.88</b>	<b>7,252.20</b>
Other income	26	888.31	625.20
<b>Total Income</b>		<b>14,597.19</b>	<b>7,877.40</b>
<b>Expenses</b>			
Finance costs	27	309.00	333.33
Impairment on financial instruments	28	(256.55)	203.21
Share of loss from Joint Venture LLP(SVP)		0.20	0.17
Employee benefits expenses	29	4,371.48	3,411.26
Depreciation, amortization and impairment	30	192.49	60.78
Other expenses	31	3,207.88	3,292.47
<b>Total Expenses</b>		<b>7,824.49</b>	<b>7,301.21</b>
<b>Profit/(loss) before tax</b>		<b>6,772.70</b>	<b>576.19</b>
<b>Tax expenses</b>	32		
Current tax		1,045.05	158.03
Earlier Tax		19.24	(3.63)
Deferred tax		373.77	(86.43)
<b>Total tax expenses</b>		<b>1,438.06</b>	<b>67.97</b>
<b>Profit/(Loss) after tax</b>		<b>5,334.63</b>	<b>508.23</b>
<b>Other comprehensive income</b>			
i. Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability/asset		(18.00)	49.23
Tax on remeasurement of defined benefit -Actuarial gain or loss		4.65	(12.77)
		(13.36)	36.46
ii. Items that will be reclassified to profit or loss			
Remeasurement of defined benefit liability/asset		-	-
Tax on remeasurement of defined benefit -Actuarial gain or loss		-	-
<b>Other comprehensive income</b>		<b>(13.36)</b>	<b>36.46</b>
<b>Total comprehensive income for the year</b>		<b>5,321.27</b>	<b>544.69</b>
Earning per Equity Shares of ₹ 10 each (not annualised)			
- Basic and Diluted	33	41.10	3.92

The above statement of profit and loss should be read in conjunction with the accompanying notes 1 to 51

In terms of our report for even date attached

For **Shah & Taparia**  
Chartered Accountants  
FRN NO : 109463W

**Narottam Shah**  
Partner  
M NO. 106355

Mumbai  
Date: 10.05.2024

For and on behalf of the Board of Directors

**Nikhil Khandelwal**  
Managing Director  
DIN: 00016387

**Divyesh Badiyani**  
Company Secretary

**Anju Khandelwal**  
Director  
DIN: 00474604

**Anil Bhagchandani**  
Chief Financial Officer



**CONSOLIDATED CASH FLOW FOR THE YEAR ENDED 31ST MARCH 2024**

(₹ in Lakhs)

Particulars		Year ended 31 March 2024	Year ended 31 March 2023
<b>A.</b>	<b>Cash flow from operating activities</b>		
	<b>Profit/(Loss) Before tax</b>	6,772.70	576.18
	<b>Adjustments for :-</b>		
	1 Depreciation on Property, Plant and Equipment	192.49	60.78
	2 Interest/Dividend Received	(721.19)	(26.97)
	3 Profit /Loss on Sale of Assets/MF/Shares	(875.29)	(5.23)
	4 Interest on lease liability	29.02	-
	5 Net fair value changes	(1,611.45)	88.41
	6 Interest Paid	200.18	260.58
	7 Interest on Subordinated Liability	79.80	72.75
	8 Impairment on financial instruments	(256.55)	203.21
	<b>Operating profit before working capital changes</b>	<b>3,809.71</b>	<b>1,052.88</b>
	<b>Adjustments for :-</b>		
	1 Trade and Other Receivables	(606.30)	1,421.90
	2 Trade Payable	7,012.71	(3,948.13)
	3 Long Term Loans & Advances		
	<b>Cash Generated from operation</b>	<b>10,216.12</b>	<b>(1,473.34)</b>
	Less: Income tax paid	1,433.41	67.97
	<b>Cash Flow Before extraordinary items</b>	<b>8,782.70</b>	<b>(1,541.32)</b>
	Extraordinary Items		
	<b>Net cash from/ (used ) in operating activities</b>	<b>8,782.70</b>	<b>(1,541.32)</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	1 Purchase of Fixed Assets	(1,258.40)	(15.54)
	2 Interest Received	721.19	26.97
	3 Loan Given	(2,823.36)	
	4 Loan repaid	4,856.06	323.71
	5 Investment	854.33	78.03
	<b>Net cash from/ (used) in investing activities</b>	<b>2,349.81</b>	<b>413.17</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	1 Repayment /Proceeds from Long and Short Term Borrowings	(119.57)	(1,010.01)
	2 Interest Paid	(200.18)	(260.58)
	3 Dividend paid	-	(129.80)
	4 Lease Payment		(1.25)
	<b>Net Cash from financing activities</b>	<b>(319.75)</b>	<b>(1,401.64)</b>
	<b>Net increase in Cash and Cash equivalents (A+B+C)</b>	<b>10,812.76</b>	<b>(2,529.84)</b>
	Cash and Cash equivalents as (Opening Balance)	6,694.52	9,224.36
	Cash and Cash equivalents as (Closing Balance)	17,507.28	6,694.52
1. The above statement of cash flow has been prepared under the indirect method as set out in Ind AS-7 'Statement of Cash Flow' 2. Components of cash and cash equivalents are as set out in note no 3 & 4 See accompanying notes to the financial statement from notes 1 to 51			

In terms of our report for even date attached

For **Shah & Taparia**  
Chartered Accountants  
FRN NO : 109463W

**Narottam Shah**  
Partner  
M NO. 106355

Mumbai  
Date: 10.05.2024

For and on behalf of the Board of Directors

**Nikhil Khandelwal**  
Managing Director  
DIN: 00016387

**Divyesh Badiyani**  
Company Secretary

**Anju Khandelwal**  
Director  
DIN: 00474604

**Anil Bhagchandani**  
Chief Financial Officer

**STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31 MARCH 2024**
**(A) Share capital**

(₹ in Lakhs)

Particular	Equity share capital
<b>As at 31 March 2022</b>	<b>1298.03</b>
Changes in equity share capital	-
<b>As at 31 March 2023</b>	<b>1298.03</b>
Changes in equity share capital	-
<b>As at 31 March 2024</b>	<b>1298.03</b>

**(B) Other equity**
**1. Reserve and Surplus**

(₹ in Lakhs)

Particular	Capital reserve	Securities premium	General reserve	Reserve fund	Retained earnings	Total
<b>As at 31 March 2022</b>	228.64	1,865.02	348.19	517.59	5,234.03	<b>8,193.47</b>
<u>Changes in equity during the year</u>	-	-	-	-	-	-
Transfer from Retained earnings	-	-	(174.27)	(473.12)	586.40	<b>(60.99)</b>
Profit/ (Loss) for the year	-	-	-	-	508.23	<b>508.23</b>
Dividend Distributed	-	-	-	-	-	-
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	-	(36.46)	<b>(36.46)</b>
<b>As at 31 March 2023</b>	<b>228.64</b>	<b>1,865.02</b>	<b>173.92</b>	<b>44.47</b>	<b>6,292.14</b>	<b>8,604.19</b>
<b>As at 31 March 2023</b>	<b>228.64</b>	<b>1,865.02</b>	<b>173.92</b>	<b>44.47</b>	<b>6,292.14</b>	<b>8,604.19</b>
<u>Changes in equity during the year</u>	-	-	-	-	-	-
Transfer from Retained earnings	-	-	174.26	535.19	(709.45)	-
Profit/ (Loss) for the year	-	-	-	-	5,334.63	5,334.63
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	-	(12.53)	(12.53)
<b>As at 31 March 2024</b>	<b>228.64</b>	<b>1,865.02</b>	<b>348.18</b>	<b>579.66</b>	<b>10,904.80</b>	<b>13,926.30</b>

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report for even date attached

For and on behalf of the Board of Directors

For **Shah & Taparia**  
Chartered Accountants  
FRN NO : 109463W

**Nikhil Khandelwal**  
Managing Director  
DIN: 00016387

**Anju Khandelwal**  
Director  
DIN: 00474604

**Narottam Shah**  
Partner  
M NO.106355

**Divyesh Badiyani**  
Company Secretary

**Anil Bhagchandani**  
Chief Financial Officer

Mumbai  
Date: 10.05.2024

## Notes forming part of the consolidated financial statements (contd...)

### 1) Corporate information

Systematix Corporate Services Limited ("the Company") is a Public Limited Company incorporated and domiciled in India and has its registered office in India **The Capital, "A" wing, 6th Floor, No. 603-606, Plot No.C-70, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai- 400051.** The Company has its primary listings on the BSE in India. The Company is registered as category I Merchant banker with Securities and Exchange Board of India (SEBI) and primarily engaged in Merchant Banking Activities.

These financial statements were authorised for issue by the board of directors on 10th May 2024.

### 2) Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Basis of preparation and presentation

##### A) Statement of compliance

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with Rule 3 of the [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act, as amended.

##### B) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

1. Derivative financial instruments;
2. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);
3. Share based payment transactions and
4. Defined benefit and other long-term employee benefits.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements are presented in Rs (INR), the functional currency of the Company. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

##### C) Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent assets and liabilities at the date of the financial statements. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed under "**Summary of significant accounting policies**". Accounting estimates could change from period to period. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements is included in the following notes:

## Notes forming part of the consolidated financial statements (contd...)

### Summary of significant accounting policies

- (i) Functional and presentation currency Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which these entities operate (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.
- (ii) Foreign currency transactions and balances are translated into the functional currency of the Company, using the exchange rates prevailing at the dates of the respective transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the exchange rates prevailing at reporting date of monetary assets and liabilities denominated in foreign currencies, are recognized in the statement of profit and loss and reported within foreign exchange gains/ (losses). Non-monetary assets and liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.
- (iii) Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.
- (iv) Investment in subsidiaries: Investment in subsidiaries is measured at cost.

### (v) Current v/s Non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset /liability is current when it is:

- Expected to be realised/settled or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised / settled within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/ liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

### (vi) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

#### **Financial Assets:**

##### **Classification**

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit or Loss) and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

## Notes forming part of the consolidated financial statements (contd...)

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investments at FVOCI.

### Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Statement of Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed of in the Statement of Profit or Loss.

### Subsequent measurement

After initial recognition, financial assets are measured at:

- Fair value (either through other comprehensive income or through profit or loss), or
- Amortized cost

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs. For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non-derivative financial assets comprising amortised cost, debt instruments at Fair Value Through Other Comprehensive Income (FVTOCI), equity instruments at FVTOCI or Fair Value Through Profit and Loss account (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL. The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

#### (vii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

- (a) The objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and
- (b) The asset's contractual cash flow represent Solely Payments of Principal and Interest (SPPI).

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in Other Comprehensive Income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain / (loss) in statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the Effective Interest Rate (EIR) model.

#### (viii) Equity instruments at FVTOCI

All equity instruments are measured at fair value. Equity instruments held for trading is classified as FVTPL. For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in OCI. The Company makes such election on an instrument-by-instrument basis. If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividend are recognised in OCI which is not subsequently recycled to statement of profit and loss.

#### (ix) Financial assets at FVTPL

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL.

**Notes forming part of the consolidated financial statements (contd...)**

In addition the Company may elect to designate the financial asset, which otherwise meets amortised cost or FVTOCI criteria, as FVTPL if doing so eliminates or significantly reduces a measurement or recognition inconsistency. The Company has not designated any financial asset as FVTPL.

Financial assets included within the FVTPL category are measured at fair values with all changes in the statement of profit and loss.

- a) Non-derivative financial liabilities
  - (i) Financial liabilities at amortised cost: Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.
  - (ii) Financial liabilities at FVTPL: Financial liabilities at FVTPL represented by contingent consideration are measured at fair value with all changes recognised in the statement of profit and loss.
- b) Derivative financial instruments: Derivatives are recognized and measured at fair value. Attributable transaction costs are recognized in statement of profit and loss.

**(x) Property, plant and equipment:**

- a) **Recognition and measurement:** All items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

- b) **Depreciation method, estimated useful life and residual value:** The Company depreciates property, plant and equipment over the estimated useful life on a straight-line basis from the date the assets are ready for intended use. Depreciable amount for assets is the cost of an asset less its estimated residual value.

Depreciation on property plant and equipment has been provided on the straight line method allocated to its cost, net of residual value, over their estimated useful lives as follows:

Type of Asset	Estimated useful life
Computer (included in Plant & Equipment) End user services Servers and network	3 years
Vehicles	8 years
Office Equipments	5 years
Furniture and Fixtures	10 years
Plant and Equipments	15 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date. There was no change in the useful life of property, plant and equipment as compared to previous year. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital work- in-progress (if any).

**Notes forming part of the consolidated financial statements (contd...)**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

- c) Impairment:** Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated depreciation) had no impairment loss been recognized for the asset in prior years.

**(xi) Intangible assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

**(xii) Impairment of assets:**

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss model (ECL) for measurement and recognition of impairment loss. The Company recognises life time expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction.

At each reporting date, the Company assesses whether the loans have been impaired. The Company is exposed to credit risk when the customer defaults on his contractual obligations. For the computation of ECL, the loan receivables are classified into three stages based on the default and the aging of the outstanding. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the loan impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss.

The Company recognises life time expected credit loss for trade receivables and has adopted the simplified method of computation as per Ind AS 109. The Company consider outstanding overdue for more than 90 days for calculation of expected credit loss with periodical percentage method. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.



## Notes forming part of the consolidated financial statements (contd...)

### **Derecognition of Financial Assets**

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognized to the extent of continuing involvement in the financial asset.

### **Financial Liabilities:**

#### **Initial recognition and measurement**

Financial liabilities are initially measured at its fair value plus or minus, in the case of a financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the issue/ origination of the financial liability.

#### **Subsequent Measurement**

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

#### **Derecognition**

A financial liability is derecognized when the obligation specified in the contract is discharged, cancelled or expires.

#### **(xiii) Trade receivable**

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

#### **Trade and other payables**

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

#### **(xiv) Cash and Cash Equivalents:**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash and cheque in hand, bank balances, deposits held at call with financial institutions i.e. demand deposits with banks, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of

**Notes forming part of the consolidated financial statements (contd...)**

changes in value and bank overdraft. Bank Overdraft are shown within borrowings in current liabilities in the balance sheet.

**(xv) Provisions, Contingent Liabilities and Contingent Assets:**
**a) Provision**

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

**b) Contingent Liability**

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

**c) Contingent assets**

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. Contingent assets are not recognised but disclosed only when an inflow of economic benefits is probable.

**(xvi) Employee benefits**
**i. Short term Obligation**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

**ii. Post-Employment Obligation:**

The company operates the following post-employment schemes.

- Defined benefit plan i.e. gratuity

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined

## Notes forming part of the consolidated financial statements (contd...)

contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee.

The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

### **Gratuity:**

The Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method.

The liability or asset recognized in the balance sheet in respect of defined benefit gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

The Company recognizes the net obligation of a defined benefit plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability / (asset) are recognized in other comprehensive income and are not reclassified to profit or loss in subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognized in other comprehensive income. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in profit or loss as past service cost.

### **Provident Fund:**

Eligible employees of the company receive benefits from employee's provident fund Organisation, which is a defined benefit plan. Both the eligible employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary. The remaining portion is contributed to the government-administered pension fund.

## **(xvii) Revenue recognition**

Revenue (other than for those items to which Ind AS 109 - Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

**Step 1: Identify contract(s) with a customer:** A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

## Notes forming part of the consolidated financial statements (contd...)

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

The Company recognises revenue from the following sources:

### Revenue from fees

Revenue from fees includes income from Merchant banking, Investment banking, Advisory fees, and Syndication fees. It is recognised based on the stage of completion of assignments and terms of agreement with the client.

### Research and advisory income

Research and advisory income is accounted for on an accrual basis in accordance with the terms of the respective agreements entered into between the Company and the counter party.

### Interest income

Interest income on a financial asset at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the Effective Interest Rate ('EIR'). The EIR is the rate that exactly discounts estimated future cash flows of the financial assets through the expected life of the financial asset or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The internal rate of return on financial assets after netting off the fees received and cost incurred approximates the effective interest rate method of return for the financial asset. The future cash flows are estimated taking into account all the contractual terms of the instrument.

### Dividend income

Dividend income is recognized in the Statement of profit and loss on the date that the Company's right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of dividend can be reliably measured. This is generally when the shareholders approve the dividend.

## (xviii) Taxes on income

Income-tax expense comprises current tax (amount of tax for the period determined in accordance with The Income Tax law) and deferred tax charge or credit (reflecting the tax effects of temporary differences between tax bases of assets and liabilities and their carrying amounts in the financial statements). Taxes are recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in the Other Comprehensive Income.

### Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

### Current tax assets and liabilities are offset only if, the Company:

- a) Has a legally enforceable right to set off the recognized amounts; and
- b) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

## Notes forming part of the consolidated financial statements (contd...)

### Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if the Company:

- a) Has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

Current and Deferred tax for the year - OCI

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

### Minimum Alternate Tax

Minimum Alternate Tax is in the nature of unused tax credit which can be carried forward and utilised when the company will pay normal income tax during the specified period. Deferred tax assets on such tax credit is recognized to the extent that is probable that the unused tax credit can be utilised in the specified future period.

### (xix) Borrowing Cost

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

### (xx) Earnings per share

#### i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- The profit attributable to owners of the Company.
- By the weighted average number of equity shares outstanding during the financial year.

**Notes forming part of the consolidated financial statements (contd...)**
**ii) Diluted earnings per share**

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares, as appropriate.

**(xxi) Foreign Currency Transactions:**
**a) Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss.

**b) Measurement of Foreign Currency Items at the Balance Sheet Date**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items that are measured in terms of historical cost in a foreign currency are recorded using the exchange rates at the date of the transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was measured. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or Statement of Profit and Loss are also recognised in OCI or Statement of Profit and Loss, respectively). Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

**(xxii) Leases**
**As a lessee**

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company, as a lessee, recognises a right-of-use asset and a lease liability for its leasing arrangements, if the contract conveys the right to control the use of an identified asset.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- i. The contract involves the use of an identified asset
- ii. The Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- iii. The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a Right-of-Use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases), cancellable leases with not more than minimum penalty and low value leases. For these short-term leases, cancellable leases with not more than minimum penalty and low value leases, the Company recognizes the lease payments as an operating expense on a

## Notes forming part of the consolidated financial statements (contd...)

straight-line basis over the term of the lease. Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives.

They are subsequently measured at cost less accumulated depreciation and impairment losses, if any and adjusted for any re-measurement of the lease liability.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

For short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term.

### As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease. When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

### (xxiii) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Preference shares, which are mandatorily redeemable on a specific date, are classified as liabilities. The dividends on these preference shares are recognised in profit or loss as finance cost.

The fair value of the liability portion of an optionally convertible bonds is determined using a market interest rate for an equivalent non-convertible bonds. This amount is recorded as a liability on an amortised cost basis until extinguished on conversion or redemption of the bonds. The reminder of the proceeds is attributable to the equity portion of the compound instrument. This is recognised and included in shareholders' equity, net of income tax effects, and not subsequently re-measured.



## Notes forming part of the consolidated financial statements (contd...)

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer the settlement of the liability for at least 12 months after reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

### (xxiv) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

### (xxv) Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### (xxvi) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (CODM). The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Director which makes strategic decisions.

**Notes forming part of the consolidated financial statements (contd...)**
**3 Cash and cash equivalents**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Cash in hand	3.21	3.61
Balances with banks		
- In current accounts	6,241.38	765.32
<b>Total</b>	<b>6,244.59</b>	<b>768.94</b>

**4 Bank balances other than above**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
In Deposit Account offered as Security/Margin	11,245.29	5,908.18
Other Bank Balances	17.40	17.40
<b>Total</b>	<b>11,262.69</b>	<b>5,925.59</b>

**5 Trade receivables**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Receivable considered good - Secured	-	-
Receivable considered good - Unsecured		
- From related parties	-	-
- From others	1,476.07	957.21
Receivable which have significant increase in credit risk	-	0.74
Receivable - credit impaired	40.81	40.81
Less: Impairment Allowance	(45.52)	(46.58)
<b>Total</b>	<b>1,471.36</b>	<b>952.18</b>

**Reconciliation of impairment allowance on trade receivable**

(₹ in Lakhs)

Particular	Amount
Impairment allowance measured as per simplified approach	
<b>As at 1 April 2022</b>	<b>73.77</b>
Add: Addition during the year	-
Less: Reduction during the year	(120.35)
<b>As at 31 March 2023</b>	<b>(46.58)</b>
Add: Addition during the year	-
Less: Reduction during the year	1.06
<b>As at 31 March 2024</b>	<b>(45.52)</b>

**Notes forming part of the consolidated financial statements (contd...)**

Trade receivable	Current	181-360 days	1 to 2 years	2 to 3 years	More than 3 years	Total
<b>ECL rate</b>	<b>0%</b>	<b>10.00%</b>	<b>25.00%</b>	<b>30.00%</b>	<b>100.00%</b>	
<b>As at 1 April 2022</b>						
Estimated total gross carrying amount at default	3,972.37	45.23	30.34	6.08	81.32	4,135.34
ECL - Simplified approach	-	(0.34)	-	(0.37)	(73.05)	(73.76)
<b>Net carrying amount</b>	<b>3,972.37</b>	<b>44.89</b>	<b>30.34</b>	<b>5.71</b>	<b>8.27</b>	<b>4,061.58</b>
<b>As at 31 March 2023</b>						
Estimated total gross carrying amount at default	934.98	0.53	1.82	0.17	61.27	998.76
ECL - Simplified approach	(1.22)	-	(0.92)	-	(44.44)	(46.58)
<b>Net carrying amount</b>	<b>933.76</b>	<b>0.53</b>	<b>0.90</b>	<b>0.17</b>	<b>16.83</b>	<b>952.18</b>
<b>As at 31 March 2024</b>						
Estimated total gross carrying amount at default	1,413.05	2.93	8.28	8.46	43.35	1,476.07
ECL - Simplified approach	(1.32)	(0.12)	(0.17)	(0.72)	(2.38)	(4.71)
<b>Net carrying amount</b>	<b>1,411.73</b>	<b>2.81</b>	<b>8.12</b>	<b>7.74</b>	<b>40.96</b>	<b>1,471.36</b>

Outstanding for following periods from due date of payment						
Particulars	Less than 6 months	6 months -1 year	1-2 Years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,413.05	2.93	8.28	8.46	43.35	<b>1,476.07</b>
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	(1.32)	-	(0.17)	-	(2.38)	<b>(3.87)</b>
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables – considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-

**Notes forming part of the consolidated financial statements (contd...)**
**6 Loans**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
<b>At amortised cost</b>		
A) Loan Repayable on demand	1,644.90	3,933.10
<b>Total gross</b>	<b>1,644.90</b>	<b>3,933.10</b>
Less: Impairment Loss Allowance	-	255.49
<b>Total</b>	<b>1,644.90</b>	<b>3,677.61</b>
<b>Security details</b>		
(i) Secured against shares	-	-
(i) Unsecured	1,644.90	3,933.10
<b>Total gross</b>	<b>1,644.90</b>	<b>3,933.10</b>
Less: Impairment loss allowance	-	255.49
<b>Total net</b>	<b>1,644.90</b>	<b>3,677.61</b>
<b>Geographical details</b>		
(i) Loans in India		
(a) Public sector	-	-
(b) Others		
- Corporates	1,644.90	3,933.10
- Retail	-	-
(ii) Loans outside India	-	-
<b>Total gross</b>	<b>1,644.90</b>	<b>3,933.10</b>
Less: Impairment loss allowance	-	255.49
<b>Total net</b>	<b>1,644.90</b>	<b>3,677.61</b>

**7 Investments**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
<b>A) INVESTMENTS</b>		
Mutual Funds (Fair value through Profit and Loss)	4.27	6.11
Equity instruments (Fair Value through profit and loss)	3,872.51	2,051.89
Other Investments		
Investment in Divisha alternative investment LLP	5.60	5.60
Debentures , Unquoted (at amortised cost)	-	-
Investment in Unlisted Equity shares	239.93	251.30
10% Debenture of Skittish Realtors Private Limited	-	175.00
<b>Total (A)</b>	<b>4,122.31</b>	<b>2,489.90</b>
(i) Investments outside India	-	-
(ii) Investments in India	4,122.31	2,489.90
<b>Total (B)</b>	<b>4,122.31</b>	<b>2,489.90</b>
Less:		
Allowance for impairment Loss	-	-
<b>Total</b>	<b>4,122.31</b>	<b>2,489.90</b>

**Notes forming part of the consolidated financial statements (contd...)**
**Aggregate value of Investments**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Aggregate book value of quoted investments	3,876.78	2,058.00
Aggregate market value of quoted investments	3,876.78	2,058.00
Aggregate book value of unquoted investments	-	175.00
<b>Total</b>	<b>3,876.78</b>	<b>2,233.00</b>

**8 Other financial assets**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Accrued income	169.58	51.81
Deposits	3,622.10	3,064.82
Security Deposit given to M/s. Pegasus Venture Private Limited	200.00	-
Others	23.16	26.54
<b>Total</b>	<b>4,014.84</b>	<b>3,143.17</b>

**9 Current tax assets (net)**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Advance payment of income tax	32.74	330.44
<b>Total</b>	<b>32.74</b>	<b>330.44</b>

**10 Deferred tax assets**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Deferred tax liability on account of :		
- Depreciation and amortization due to timing difference	0.22	0.22
<b>Total Deferred tax liability</b>	<b>0.22</b>	<b>0.22</b>
Deferred tax assets on account of :		
- Depreciation and amortization due to timing difference	(4.67)	14.70
- Created on Lease rent	3.21	-
- Additional contribution to gratuity plan assets	33.45	20.21
- Provision for Gratuity	0.12	(0.70)
- Provision for standard assets	4.12	2.76
- Provision for bad and doubtful debts	11.20	11.24
- Expected credit loss	-	0.49
- Others	(386.69)	(18.82)
<b>Total Deferred tax assets</b>	<b>(339.26)</b>	<b>29.89</b>
<b>Net Deferred tax assets (A)</b>	<b>(339.49)</b>	<b>29.67</b>
MAT Credit entitlement (B)	-	-
<b>Total (a+b)</b>	<b>(339.49)</b>	<b>29.67</b>

**Notes forming part of the consolidated financial statements (contd...)**
*Movement in deferred tax balances*

(₹ in Lakhs)

Particular	As at 31 March 2023	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at 31 March 2024
Deferred tax liability on account of :				
- Depreciation and amortization due to timing difference	0.22	(0.00)	-	0.22
- Others	-	-	-	-
<b>Total Deferred tax liability</b>	<b>0.22</b>	<b>(0.00)</b>	<b>-</b>	<b>0.22</b>
Deferred tax assets on account of :				
- Depreciation and amortization due to timing difference	14.70	19.39	-	(4.68)
- Created on Lease rent	-	(3.21)	-	3.21
- Additional contribution to gratuity plan assets	20.21	(13.24)	-	33.45
- Provision for Gratuity	-	(0.12)	-	0.12
- Provision for standard assets	2.76	(1.35)	-	4.12
- Provision for bad and doubtful debts	10.54	(0.66)	-	11.20
- Expected credit loss	0.49	0.49	-	-
- Right to use assets	-	-	-	-
Others	(18.82)	367.88	-	(386.69)
<b>Total Deferred tax assets</b>	<b>29.89</b>	<b>369.16</b>	<b>-</b>	<b>(339.27)</b>
<b>Deferred tax assets (net)</b>	<b>29.67</b>	<b>369.16</b>	<b>-</b>	<b>(339.49)</b>

**11 Property, plant and equipment**

(₹ in Lakhs)

Particular	Right to use assets - Lease building	Building	Plant and equipment	Furniture and fixtures	Vehicles	Total
<b>Gross carrying amount</b>						
As at 1st April, 2023	-	14.15	922.26	306.00	230.11	1,472.52
Additions	939.78	-	141.26	44.67	48.39	1,174.09
Adjustment	(0.00)	-	(0.19)	0.02	-	(0.17)
Deductions	-	-	(518.28)	(41.07)	(31.25)	(590.59)
<b>As at 31 March 2024</b>	<b>939.78</b>	<b>14.15</b>	<b>545.05</b>	<b>309.62</b>	<b>247.25</b>	<b>2,055.85</b>
<b>Accumulated depreciation and impairment</b>						
As at 1st April, 2023	-	8.79	770.14	265.83	162.69	1,207.45
Depreciation charged during the year	134.64	2.24	25.56	4.73	20.50	187.68
Adjustments	-	2.24	3.88	5.75	(13.30)	(1.43)
Disposals	-	-	(491.91)	(38.98)	(28.54)	(559.43)
<b>As at 31 March 2024</b>	<b>134.64</b>	<b>13.27</b>	<b>307.67</b>	<b>237.33</b>	<b>141.35</b>	<b>834.27</b>
<b>Net carrying amount As at 31 March 2024</b>	<b>805.14</b>	<b>0.88</b>	<b>237.38</b>	<b>72.29</b>	<b>105.90</b>	<b>1,221.58</b>

**Notes forming part of the consolidated financial statements (contd...)**

(₹ in Lakhs)

Particular	Right to use assets - Lease building	Building	Plant and equipment	Furniture and fixtures	Vehicles	Total
<b>Gross carrying amount</b>						
As at 1st April, 2022	-	14.15	906.74	306.00	230.11	1,457.00
Additions	-	-	15.52	-	-	15.52
Deductions and adjustments	-	-	-	-	-	-
<b>As at 31 March 2023</b>	-	<b>14.15</b>	<b>922.26</b>	<b>306.00</b>	<b>230.11</b>	<b>1,472.52</b>
<b>Accumulated depreciation and impairment</b>						
As at 1st April, 2022	-	8.79	739.05	265.79	137.78	1,151.41
Depreciation charged during the year	-	-	31.09	0.04	24.91	56.04
Disposals	-	-	-	-	-	-
<b>As at 31 March 2023</b>	-	<b>8.79</b>	<b>770.14</b>	<b>265.83</b>	<b>162.69</b>	<b>1,207.45</b>
<b>Net carrying amount As at 31 March 2023</b>	-	<b>5.36</b>	<b>152.12</b>	<b>40.17</b>	<b>67.42</b>	<b>265.10</b>

**12 Intangible assets**

(₹ in Lakhs)

Particular	Goodwill on Consolidation	Membership in BSE	Computer software	Membership License	Total
<b>Gross carrying amount</b>					
As at 1st April, 2023	309.46	277.00	401.59	20.00	1,008.05
Additions	-	-	126.93	-	126.93
Deductions and adjustments	-	-	(228.77)	-	(228.77)
<b>As at 31 March 2024</b>	<b>309.46</b>	<b>277.00</b>	<b>299.76</b>	<b>20.00</b>	<b>906.22</b>
<b>Accumulated depreciation and impairment</b>					
As at 1st April, 2023	-	277.00	378.39	14.02	669.41
Depreciation charged during the year	-	-	1.03	3.77	4.80
Adjustment	-	-	1.22	0.01	1.23
Disposals	-	-	(217.30)	-	(217.30)
<b>As at 31 March 2024</b>	-	<b>277.00</b>	<b>163.34</b>	<b>17.80</b>	<b>458.14</b>
<b>Net carrying amount As at 31 March 2024</b>	<b>309.46</b>	-	<b>136.42</b>	<b>2.20</b>	<b>448.08</b>

(₹ in Lakhs)

Particular	Goodwill on Consolidation	Membership in BSE	Computer software	Membership License	Total
<b>Gross carrying amount</b>					
As at 1st April, 2022	309.46	277.00	401.58	20.00	1,008.04
Additions	-	-	-	-	-
Deductions and adjustments	-	-	-	-	-
<b>As at 31 March 2023</b>	<b>309.46</b>	<b>277.00</b>	<b>401.58</b>	<b>20.00</b>	<b>1,008.05</b>



**Notes forming part of the consolidated financial statements (contd...)**

(₹ in Lakhs)

Particular	Goodwill on Consolidation	Membership in BSE	Computer software	Membership License	Total
<b>Accumulated depreciation and impairment</b>					
As at 1st April, 2022	-	277.00	377.37	10.26	664.65
Depreciation charged during the year	-	-	0.99	3.76	4.76
Disposals	-	-	-	-	-
<b>As at 31 March 2023</b>	-	<b>277.00</b>	<b>378.36</b>	<b>14.02</b>	<b>669.41</b>
<b>Net carrying amount As at 31 March 2023</b>	<b>309.46</b>	-	<b>23.22</b>	<b>5.98</b>	<b>338.64</b>

**13 Other non-financial assets**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Prepaid/Advance for Expenses	88.39	64.18
Advance Salary	1.46	0.19
Advance to Vendors	5.08	1.25
Provision for Gratuity	3.83	-
Balance with Government Authorities	253.34	128.91
Others	27.04	12.24
<b>Total</b>	<b>379.15</b>	<b>206.77</b>

**14 Payable**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
(i) Trade payable		
Total outstanding dues of micro enterprises and small enterprises	97.98	7.76
Total outstanding dues of other than micro enterprises and small enterprises	10,830.52	5,586.44
	<b>10,928.50</b>	<b>5,594.20</b>
(ii) Other payable		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of other than micro enterprises and small enterprises	6.36	10.56
	<b>6.36</b>	<b>10.56</b>
<b>Total</b>	<b>10,934.86</b>	<b>5,604.76</b>

**Disclosures requirement under section 22 of the Micro, Small Medium Enterprises Development Act, 2006**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
i) Principal amount and interest due thereon remaining unpaid to each supplier at the end of each accounting year	-	-
ii) Interest paid by the Group 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	-	-

**Notes forming part of the consolidated financial statements (contd...)**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
iii) 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	-	-
iv) Interest accrued and remaining unpaid at the end of each accounting year	-	-
v) 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	-	-

**Ageing schedule**

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 years	More than 3 years	Total
(i) MSME	97.98	-	-	-	97.98
(ii) Others	10,833.89	0.79	0.62	1.58	10,836.87
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-

**15 Borrowings (other than debt securities)**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
a) Secured		
Term loans		
From Bank	-	-
From others	-	-
b) Loan repayable on demand		
From Bank	1,116.21	1,273.40
From others-Loan against shares	-	-
c) Vehicle loan	37.63	-
d) Unsecured	-	-
Loan from related Party	-	-
<b>Total</b>	<b>1,153.84</b>	<b>1,273.40</b>
Borrowings in India	1,153.84	1,273.40
Borrowings outside India	-	-
<b>Total</b>	<b>1,153.84</b>	<b>1,273.40</b>

**Notes forming part of the consolidated financial statements (contd...)**

Details of borrowings

Details of terms of repayment and security provided:

(₹ in Lakhs)

Particulars	Security	Coupon Rate	As at 31 March 2024	As at 31 March 2023
From Bank - overdraft facilities	Secured against term deposit	In the range of 8 % to 9 %	-	-
Term loans - Unsecured	Unsecured	In the range of 10% to 16%	-	-
Loan from Yes Bank	Residential property owned by Goldflag Exports Private Limited	Floating interest rate @8.82% linked with 6 months Certificate of Deposit rate published by FBIL	164.45	179.73
Loan from Yes Bank	Residential property owned by Goldflag Exports Private Limited	Floating interest rate @9.37% linked with Marginal Cost of Funds Lending Rate	914.01	966.72
Loan from Yes Bank	Residential property owned by Goldflag Exports Private Limited	Floating interest rate @8.55% linked with Marginal Cost of Funds Lending Rate	39.09	126.96
Processing fees	-	-	(1.34)	-
Vehicle loan	Unsecured	in the range of 5% to 8%	18.81	-
Vehicle loan	Unsecured	in the range of 5% to 8%	18.81	-
			<b>1,153.84</b>	<b>1,273.40</b>

**Terms of repayment**

(₹ in Lakhs)

Particulars	Terms of repayment	Less than 12 months	1-5 years	More than 5 years	Total
Loan from Yes Bank	121 monthly installments starting from January 2020	18.61	145.84	-	164.45
Loan from Yes Bank	191 monthly installments starting from April 2018	53.86	860.15	-	914.01
Loan from Yes Bank	36 monthly installments starting from September 2021	39.09	-	-	39.09
Vehicle loan	60 monthly installments starting from September 2023	3.65	15.17	-	18.81
Vehicle loan	60 monthly installments starting from September 2023	3.64	15.17	-	18.81

**16 Subordinated Liabilities**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
<b>At amortised cost</b>		
Preference shares		
2,50,00,000 Non Convertible Redeemable Preference Shares Rs. 10/- each	902.50	822.70
<b>Total</b>	<b>902.50</b>	<b>822.70</b>

**Notes forming part of the consolidated financial statements (contd...)**

## Details of subordinated liabilities

(₹ in Lakhs)

Particulars	Maturity Date	Terms of repayment	Coupon Rate	As at 31 March 2024	As at 31 March 2023
Preference Share					
2,50,00,000 Non Convertible Redeemable Preference Shares of Rs. 10/- each	30 March 2035	Redeemable at par out of the profit available for distribution as dividend or out of the proceeds of a fresh issue for redemption.	Nil rates coupon, non cumulative	902.50	822.70

**Notes:**

1) 2,50,00,000 Non convertible Redeemable Preference Shares were issued for consideration other than cash.

**17 Other financial liabilities**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Deposit from VAST	0.75	0.75
Deposits from Remisery	154.13	159.99
Rent Deposit	49.99	-
Employee Benefits Payable	367.50	29.44
Unpaid Dividend Payable	17.40	-
Other Payables	(2.42)	104.85
Lease Liability	768.67	-
<b>Total</b>	<b>1,356.02</b>	<b>295.03</b>

**18 Current tax liabilities (net)**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Income tax	57.63	6.98
<b>Total</b>	<b>57.63</b>	<b>6.98</b>

**19 Provisions**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Provision for employee benefits:		
- Gratuity	63.47	83.90
Guarantee liabilities	27.04	1.74
Provision for standard assets	3.68	3.53
<b>Total</b>	<b>94.19</b>	<b>89.17</b>

**Notes forming part of the consolidated financial statements (contd...)**
**Information about provision and significant estimates**
**Movement in provisions against standard assets**

(₹ in Lakhs)

<b>Balance as on 31 March 2022</b>	<b>9.88</b>
Reversal of provision no longer required	(6.35)
<b>Provision as on 31 March 2023</b>	<b>3.53</b>
Reversal of provision no longer required	0.16
<b>Provision as on 31 March 2024</b>	<b>3.69</b>

**Employee Benefit Obligation**
**Defined contribution plans**

During the year the Group has made contribution of Rs 56.78 lakhs (previous year: Rs 52.47 lakhs) towards provident fund.

**Gratuity**

The Group provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service. The Group's gratuity liability is funded.

The Group has carried out the actuarial valuation of Gratuity liability under actuarial principle, in accordance with Ind AS 19 - Employee Benefits.

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1 April 2022</b>			-
Current service cost	319.61	200.22	119.39
Past service cost	0.45	-	0.45
Interest expense/(income)	-	-	-
Total amount recognised in profit and loss	<b>0.45</b>	-	<b>0.45</b>
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	-	-
(Gain)/loss from change in demographic assumptions	-	35.95	(35.95)
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	-	-	-
Actual Return on Plan assets	-	-	-
Total amount recognised in other comprehensive income	-	<b>35.95</b>	<b>(35.95)</b>
Employer contributions	-	-	-
Benefit payments	-	-	-
<b>As at 31 March 2023</b>	<b>320.06</b>	<b>236.17</b>	<b>83.89</b>

**Notes forming part of the consolidated financial statements (contd...)**

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 31 March 2023</b>	<b>320.06</b>	<b>236.17</b>	<b>83.89</b>
Current service cost	48.23	-	48.23
Past service cost	-	-	-
Interest expense/(income)	16.97	12.42	4.54
Total amount recognised in profit and loss	<b>65.20</b>	<b>12.42</b>	<b>52.77</b>
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	19.89	(19.89)
Actual benefit paid	(3.52)	57.99	(61.51)
(Gain)/loss from change in demographic assumptions	-	0.73	(0.73)
(Gain)/loss from change in financial assumptions	5.98	-	5.98
Actual (gains)/losses	5.15	0.70	4.44
Other	(57.73)	(51.70)	(6.03)
Actual Return on Plan assets			-
Total amount recognised in other comprehensive income	<b>(50.13)</b>	<b>27.62</b>	<b>(77.74)</b>
Employer contributions	-	-	-
Acquisition/Business Combination/Divestiture	0.71	-	0.71
Benefit payments	(10.21)	(10.21)	-
<b>As at 31 March 2024</b>	<b>325.63</b>	<b>266.00</b>	<b>59.63</b>

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Present value of funded obligations	325.63	320.06
Fair value of plan assets	266.00	236.17
Deficit of funded plan	59.63	83.89

**Significant estimates: Actuarial assumptions and sensitivity**

The significant actuarial assumptions were as follows:

**Gratuity**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Discount rate	6.95%	6.55%
Salary escalation rate	10% to 15%	10% to 15%
Attrition rate		
Up to 45 years	5% to 15 %	5% to 15 %
Above 45 years	2% to 5%	2% to 5%
Mortality rate	IALM (2012-14) Ult.	IALM (2012-14) Ult.

**Notes forming part of the consolidated financial statements (contd...)**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(₹ in Lakhs)

Particulars	Change in assumption		Impact on defined benefit obligation			
			Increase in assumption		Decrease in assumption	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Discount rate	+/- 1%	+/- 1%	(20.57)	(16.18)	23.13	(4.47)
Salary escalation rate	+/- 1%	+/- 1%	12.11	(7.05)	(12.09)	(14.11)

**Risk Exposure**
**Maturity Analysis**

(₹ in Lakhs)

Particulars	Less than a year	Between 2-5 yrs	Between 6-10 yrs	Over 10 yrs	Total
<b>As at 31 March 2024</b>					
Defined Benefit Obligation	39.70	131.92	151.86	2.15	325.63
<b>Total</b>	<b>39.70</b>	<b>131.92</b>	<b>151.86</b>	<b>2.15</b>	<b>325.63</b>
<b>As at 31 March 2023</b>					
Defined Benefit Obligation	36.52	105.79	118.28	(58.31)	202.29
<b>Total</b>	<b>36.52</b>	<b>105.79</b>	<b>118.28</b>	<b>(58.31)</b>	<b>202.29</b>

**20 Other non-financial liabilities**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Other Payables	3.40	1.66
Dividend Payable	-	-
Statutory remittances (Contributions to PF, Service Tax, GST etc.)	768.87	124.98
<b>Total</b>	<b>772.27</b>	<b>126.63</b>

**21 Equity Share Capital**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
(i) Authorized Share Capital 2,00,00,000 Equity Shares (Previous Year 2,00,00,000) of Rs. 10/- each	2,000.00	2,000.00
(ii) Issued 1,31,22,558 Equity shares of Rs. 10/- each	1,312.26	1,312.26
(iii) Subscribed and fully paid 1,29,80,258 Equity Shares (Previous Year 1,29,80,258) of Rs. 10/- each	1,298.03	1,298.03
(iv) Share forfeiture 1,42,300 Equity shares @ Rs.5/- (Previous Year: 1,42,300 Equity Shares)	7.12	7.12



**Notes forming part of the consolidated financial statements (contd...)**
**Disclosures:**

- a) **Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Equity Shares	As at 31 March 2024		As at 31 March 2023	
	No. of Shares	Amount (₹ in Lakhs)	No. of Shares	Amount (₹ in Lakhs)
<b>Opening Balance</b>	12,980,258	1,298.03	12,980,258	1,298.03
Fresh Issue	-	-	-	-
Buy Back	-	-	-	-
<b>Closing Balance</b>	<b>12,980,258</b>	<b>1,298.03</b>	<b>12,980,258</b>	<b>1,298.03</b>

- b) **Rights, preferences and restrictions attached to equity shares**

The Equity shares of the Company having par value of Rs 10 - /per share rank paripassu in all respects, including voting rights, dividend entitlement and repayment of capital.

- c) **Equity Shares held by each shareholder holding more than 5% equity shares in the Company are as follows:**

(₹ in Lakhs)

Particulars	As at 31 March 2024		As at 31 March 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Systematix Holdings Private Limited (Formerly known as Superstar Exports Pvt. Ltd.)	8,862,276	68.25	8,862,276	68.25
Shashikant Jain	1,076,360	8.48	1,076,360	8.48

- d) **Objectives, policies and processes for managing capital.**

The primary objective of the Group's Capital Management is to maximise shareholders value. The Group manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimisation of the debt and equity balance. The Group's policy is to maintain a strong capital base so as to maintain investors, creditors and market confidence to sustain future development of the business. For the purpose of the Group's capital management, capital includes issued capital and other equity reserves.

**22 Other equity**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Transfer Balances from SOCE and show only Closing Balance		
<b>(i) Reserve Surplus</b>		
Capital Reserve	228.64	228.64
Securities Premium	1,865.02	1,865.02
Reserve Fund ( u/s 45 -IC of the Reserve Bank of India, Act 1934)	579.66	44.47
General reserves	348.19	173.93
Retained Earnings	10,904.80	6,292.17
<b>Total</b>	<b>13,926.30</b>	<b>8,604.19</b>

**Nature and purpose of each reserve**

**Capital Reserve** Capital reserve is created out of Share Warrant forfeited in FY 2008-09.

**Securities Premium** Securities premium represents the surplus of proceeds received over the face value of shares, at the time of issue of shares.

**Notes forming part of the consolidated financial statements (contd...)**

**General Reserve** General Reserve is created out of Profit and Loss account Surplus Balance generated every year.

**Special Reserve (as per the RBI regulations)** Every non-banking financial company shall create a reserve fund the transfer therein a sum not less than twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

**Retained earnings** The balance in retained earnings primarily represents the surplus after payment of dividend (including tax on dividend) and transfer to reserves.

**23 Interest income**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
(a) On financial assets measured at fair value through OCI	-	-
(b) On financial assets measured at amortised cost		
Interest on loans	721.19	348.43
Interest on deposits	537.34	8.22
Other interest income	13.18	361.13
(c) On financial assets classified at fair value through profit or loss	-	-
<b>Total</b>	<b>1,271.71</b>	<b>717.78</b>

**24 Service income**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Financial Advisory Services	5,519.36	2,693.66
Brokerage income	5,162.51	2,951.84
Service income	143.85	800.52
<b>Total</b>	<b>10,825.72</b>	<b>6,446.01</b>

Below is the disaggregation of the revenue from contracts with customers and its reconciliation to amounts reported in statement of profit and loss:

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Services transferred at point in time	10,625.72	6,246.01
Services transferred over time	200.00	200.00
<b>Total revenue from contract with customers</b>	<b>10,825.72</b>	<b>6,446.01</b>

**25 Net loss/ Gain on fair value changes**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
On financial assets	1,611.45	88.41
<b>Total</b>	<b>1,611.45</b>	<b>88.41</b>

**Notes forming part of the consolidated financial statements (contd...)**
**26 Other income**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Excess provision written back	5.30	478.88
Interest on Income tax Refund	-	2.29
Miscellaneous income	5.25	60.94
Exchange Gain and Loss	(0.23)	(0.48)
Derecognition of Lease Asset	-	7.36
Commission Income	0.23	-
Gain on sale of mutual fund	0.34	5.23
Dividend From Mutual Funds	2.47	-
Profit/loss FNO	8.52	-
Profit on sale of Shares	866.43	70.98
<b>Total</b>	<b>888.31</b>	<b>625.20</b>

**27 Finance costs**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Interest on borrowings	187.61	204.44
Other borrowing cost	0.45	1.93
Interest on lease liability	29.02	-
Interest on Statutory Dues	0.01	0.02
Bank guarantee commission	12.11	54.19
Interest on Subordinated Liability	79.80	72.75
<b>Total</b>	<b>309.00</b>	<b>333.33</b>

**28 Impairment on financial instruments**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Expected credit loss		
Trade receivables	(256.55)	203.21
<b>Total</b>	<b>(256.55)</b>	<b>203.21</b>

**29 Employee Benefit Expenses**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, bonus and allowances	4,203.88	3,282.26
Contribution to provident fund	56.78	52.47
Provision for gratuity	53.10	55.70
Staff welfare expenses	57.72	20.83
<b>Total</b>	<b>4,371.48</b>	<b>3,411.26</b>

**Notes forming part of the consolidated financial statements (contd...)**
**30 Depreciation, amortisation and impairment**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation and amortisation on property, plant and equipment	192.49	60.78
<b>Total</b>	<b>192.49</b>	<b>60.78</b>

**31 Other expenses**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Rent, taxes and energy costs	672.05	744.56
Repair and maintenance	121.24	118.60
Communication costs	96.26	143.38
Advertisement and publicity	1.42	1.28
Director's fee, allowances and expenses*	18.49	20.53
Auditor's fees and expenses	12.42	9.30
Legal and professional charges	743.85	809.08
Insurance	14.53	29.64
Provision for Standard Assets	-	0.24
Other expenditure	-	-
Demat charges	29.46	26.71
Travelling and conveyance	108.89	102.87
Business promotion	47.52	25.58
Transaction charges	291.47	254.79
Membership and subscription charges	243.76	225.19
Remisery charges	544.31	350.59
Penalty charges	14.10	4.92
Bad Debts	5.52	306.96
Loss on Assets sale /Written off	40.97	-
CGST and SGST reversal	5.81	(0.02)
Brokerage and commission paid	19.63	27.64
Housekeeping Expenses	14.76	13.59
Miscellaneous expenditure	161.45	77.02
<b>Total</b>	<b>3,207.88</b>	<b>3,292.47</b>

\* Includes Reverse Charges

**Details of Auditor's fees and expenses**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
- For Audit Fees	12.42	9.30
- For Taxation Matter	-	-
<b>Total</b>	<b>12.42</b>	<b>9.30</b>

**Notes forming part of the consolidated financial statements (contd...)**
**Repair and Maintenance**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Repairs to Building	42.96	32.36
Other Repairs and Maintenance	78.27	44.82
<b>Total</b>	<b>121.24</b>	<b>77.18</b>

**32 Tax expenses**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Current tax		
- Current tax	1,045.05	158.03
- Earlier year	19.24	(3.63)
	1,064.29	154.40
Deferred tax	373.77	(86.43)
<b>Total</b>	<b>1,438.06</b>	<b>67.97</b>

**Reconciliation of current rate of tax and effective rate of tax:**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Profit before income tax	6,772.70	576.19
Enacted tax rates in India (%)	26%	26%
Computed expected tax expenses	1,760.90	149.81
Change in opening deferred tax assets due to change in rate	-	0.37
Difference in earlier year IT depreciation between considered for accounting purpose and claimed under IT Act	-	(0.57)
Tax expenses pertaining to earlier years	-	(3.64)
Permanent difference on which deferred tax assets/liability not created	(197.28)	11.38
Brought forward loss of previous year adjusted against current year loss and on which no deferred tax asset was created	-	(18.76)
Loss for the year on which deferred tax assets not created	-	(25.79)
Deferred tax asset not recognised on impairment allowances	(53.75)	(37.97)
DTA created on gratuity liability acquired due to transfer of employees	-	14.22
Tax expenses for earlier year	61.14	99.52
Others	(132.95)	(120.62)
<b>Income Tax expenses - Net</b>	<b>1,438.06</b>	<b>67.97</b>

**Temporary differences, unused tax losses and unused tax credit on which deferred tax assets is not recognised**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	148.07	723.90
Impairment allowance for which no deferred tax assets recognised	119.73	(98.10)
Potential tax benefit @22.88% (P.Y. 26%)	<b>69.63</b>	<b>157.51</b>

**Notes forming part of the consolidated financial statements (contd...)**
**33 Earnings per share**

(₹ in Lakhs)

Particular	Year ended 31 March 2024	Year ended 31 March 2023
(i) Basic earnings per share		
Profit attributable to the equity holders of the Company	5,334.63	508.23
Total basic earnings per share attributable to the equity holders of the Company	41.10	3.92
(ii) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	12,980,258	12,980,258

**34 Contingent liabilities and commitment**

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
(i) <b>Contingent liabilities:</b>		
Income Tax Demand Contested in Appeals	520.34	243.34

**35 Assets pledged as security**

The following assets are pledged as a security against the borrowings, guarantees and other facilities obtained from the Banks and financial institutions

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
Vehicles	57.07	66.45
Bank balance other than cash and cash equivalents	11,245.29	6,040.85

Further, the Group has taken a term loan from yes bank against which residential property owned by Goldflag Exports Private Limited is given as a security.

**36 Related party transactions**
**(i) Details of related parties**

Description of relationship	Names of related party
<b>Holding Company</b>	Systematix Holdings Private Limited (Formerly known as Superstar Exports Private Limited)
<b>Wholly Owned Subsidiaries</b>	Systematix Fincorp India Limited Systematix Finvest Private Limited Systematix Shares and Stocks (India) Limited Systematix Commodities Services Private Limited Systematix Ventures Private Limited
<b>Presumption of significance influence</b>	Systematix Capital Services Private Limited Ceepeek Real Estate Private Limited Rangsharda Properties Private Limited Shubham Mangalam Real Estate Private Limited Snehvardhini Properties Private Limited Tekpoint Properties Private Limited Funsign Real Estate Private Limited

**Notes forming part of the consolidated financial statements (contd...)**

Description of relationship	Names of related party
	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 Private Limited Nikunj Mercantile Private Limited Systematix Assets Management Company Private Limited Wonderdream Realtors Private Limited Systematix Distributions Services Private Limited Perspire Builders and Developers Private Limited Swaraj Apartments Private Limited First Lady Housing Private Limited Sterling DreamWorks Partners LLP Divisha Real Estate Advisors LLP Divisha Realty LLP Divisha developers LLP Divisha Lifestyle LLP Urban Affordable Housing LLP SS Khandelwal & Co
<b>Key managerial personnel</b>	Nikhil Khandelwal Sunil Sarda Chandra Prakash Khandelwal Priyanka Khandelwal Rahul Khandelwal Anil Bhagchandani Divyesh Badiyani

**(ii) Compensation (remuneration to KMP)**

(₹ in Lakhs)

For the year ended 31 March 2024		Short-term employee benefits	Post-employment benefits	Long-term employee benefits	Total
Sunil Sarda	Director	67.07	-	-	67.07
Nikhil Khandelwal	Director	36.00	-	-	36.00
Rahul Khandelwal	Director	12.04	-	-	12.04
Priyanka Khandelwal	Director	18.60	-	-	18.60
Anil Bhagchandani	Chief Financial Officer	30.84	-	-	30.84
Divyesh Badiyani	Company Secretary	6.39	-	-	6.39



**Notes forming part of the consolidated financial statements (contd...)**
**(iii) Transactions with related parties**

(₹ in Lakhs)

Nature of Transaction	Name	Year ended 31 March 2024	Year ended 31 March 2023
Director Sitting Fees	Anju Khandelwal	4.40	4.70
	Shriram Surajmal Khandelwal	4.30	4.90
	Sanjay khandelwal	3.90	4.40
	Rakesh Mehta	5.10	5.70
	Sampath Kumar	0.50	-
Salary Paid	Krathi Khandelwal	9.00	0.20
Rent Paid	Goldflag Exports Private Limited	27.00	17.70
	Thirdwave Mercantile Company Private Limited	15.00	15.00
	Swaraj Apartments Private Limited	1.80	1.80
Electricity & Lightening Charges	Thirdwave Mercantile Company Private Limited	0.52	0.72
Gratuity paid	Chandra Prakash Khandelwal	-	27.27
Loan taken	Nikhil Khandelwal	50.00	-
Loan repaid	Nikhil Khandelwal	50.00	-
Loan given	Systematix Distributions Services Private Limited	104.00	-
Loan received back	Systematix Distributions Services Private Limited	104.01	-
Interest charged	Systematix Distributions Services Private Limited	0.01	-
Loan given	Divisha Lifestyle LLP	50.00	-
Loan received back	Divisha Lifestyle LLP	50.83	-
Interest income	Divisha Lifestyle LLP	0.83	-
Loan Repaid	Urban Affordable Housing LLP	-	30.00
Loan given	NHI Developers LLP	737.00	-
Loan received back	NHI Developers LLP	195.03	-
Interest charged	NHI Developers LLP	223.23	-
Loan given	Systematix Distribution Services Private Limited	190.53	-
Interest income	Systematix Distribution Services Private Limited	0.02	-
Loan received back	Systematix Distribution Services Private Limited	190.55	-
Trading in Securities (paid)	Systematix Distribution Services Private Limited	-	950.00
Trading in Securities (received)	Systematix Distribution Services Private Limited	-	950.00
Professional Fees Paid	Systematix Distribution Services Private Limited	21.34	-
Depository Charges	Systematix Distribution Services Private Limited	-	0.11
Reimbursement of Expenses	Urban Affordable Housing LLP	-	17.96

**Notes forming part of the consolidated financial statements (contd...)**
**(iv) Outstanding balances**

(₹ in Lakhs)

Nature of transactions		As at 31 March 2024	As at 31 March 2023
Outstanding Preference Shares	Systematix Holdings Pvt Ltd (Formerly known as Superstar Exports Private Limited)	2,500.00	2,500.00
Outstanding Equity Shares	Systematix Holdings Pvt Ltd (Formerly known as Superstar Exports Private Limited)	886.23	886.23
Loan Granted	NHI Developers LLP	1,594.67	829.48
Corporate Guarantee	Systematix Shares and Stocks (India) Limited	4,000.00	10,400.00
Loan given	Divisha Real estate advisors LLP	-	0.74
Investment	Divisha Alternative Investments LLP	5.60	5.60
Investment in current account	Divisha Alternative Investments LLP	(3.36)	(1.66)
Depository Charges	Systematix Distribution Services Private Limited	0.10	1.60

**(v) Terms and conditions:**

All related party transactions entered during the year were in ordinary course of business and are on arm's length basis.

**37 Leases**

The Company has taken a Building on operating lease for using as office space.

**(a) Amount recognised in balance sheet**

The balance sheet shows the following amounts relating to leases:

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Right to use assets</b>		
Building	805.14	-
<b>Total</b>	<b>805.14</b>	<b>-</b>

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Lease liabilities	768.67	-
<b>Total</b>	<b>768.67</b>	<b>0.00</b>

**(b) Amount recognised in the statement of profit and loss**

Right to use assets

(₹ in Lakhs)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Amortization charge- Building	134.64	-
Interest expenses	187.61	-
<b>Total</b>	<b>322.25</b>	<b>-</b>

**Notes forming part of the consolidated financial statements (contd...)**

## (c) Maturity analysis of lease liabilities

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years
Lease liabilities	768.67	155.21	613.46	-

**38 Net debt reconciliation :**

This section sets out an analysis of net debt and the movements in net debts for the year ended 31 March 2024

(₹ in Lakhs)

Particular	As at 31 March 2024	As at 31 March 2023
<b>Secured</b>		
Term loan - From Banks	-	-
Term loan - From Others	-	-
Loan repayable on demand - From Banks	1,116.21	1,273.40
Loan repayable on demand - From others-Loan against shares	-	-
Vehicle loan	37.63	-
Lease Liability	768.67	-
<b>Unsecured</b>		
Loan from related Party	-	-
Subordinated Liabilities	902.50	822.70
Accrued Interest but not Due	-	-
<b>Total net debt</b>	<b>2,825.01</b>	<b>2,096.10</b>

Notes forming part of the consolidated financial statements (contd...)

(₹ in Lakhs)

Particular	Term loan - From Banks	Term loan - From Others	Loan repayable on demand - From Banks	Loan repayable on demand - From others - Loan against shares	Vehicle loan	Lease Liability	Loan from related Party	Subordinated Liabilities	Total
<b>Net debt as on 1 April 2022</b>	<b>(1,433.70)</b>	<b>(767.20)</b>	<b>(40.22)</b>	<b>(24.78)</b>	<b>(17.52)</b>	-	-	<b>(749.95)</b>	<b>(3,033.37)</b>
Addition during the year	(3.64)	(130.00)	-	-	-	-	-	(72.75)	(206.39)
Notional interest cost using EIR method	-	-	-	-	-	-	-	-	-
Interest cost using EIR method	(0.01)	(40.63)	49.69	(49.69)	-	-	-	-	(40.64)
Other charges	-	-	-	-	-	-	-	-	-
Repayment	228.94	937.83	-	-	17.52	-	-	-	1,184.29
<b>Net debt as on 31 March 2023</b>	<b>(1,208.41)</b>	<b>-</b>	<b>59.16</b>	<b>(124.16)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(822.70)</b>	<b>(2,096.11)</b>
Addition during the year	-	-	-	-	(42.01)	(809.22)	-	(79.80)	(931.03)
Notional interest cost using EIR method	-	-	-	-	-	-	-	-	-
Interest cost using EIR method	(0.21)	-	-	-	-	(29.01)	-	-	(29.22)
Other charges	(0.44)	-	-	-	-	-	-	-	(0.44)
Amortization of upfront fees	-	-	-	-	-	-	-	-	-
Repayment	92.85	-	(59.16)	124.16	4.38	69.56	-	-	231.79
<b>Net debt as on 31 March 2024</b>	<b>(1,116.21)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(37.63)</b>	<b>(768.67)</b>	<b>-</b>	<b>(902.50)</b>	<b>(2,825.01)</b>

**Notes forming part of the consolidated financial statements (contd...)**
**39 Segment information**

The Group's chief operating decision maker is the Managing Director (MD) of the Company who examines the Group's performance both from a services and geographic perspective and has identified three reportable segment of its business as follows:

- A Merchant Banking and Related Activities.
- B Financing and Other Activities.
- C Equity, Commodity, Currency and Other Transactional Services.

The MD primarily uses a measure of profit before tax and interest to assess the performance of the operating segments. However, the MD also receives information about the segments revenue and assets on a monthly basis.

**(i) Segment profit or loss**

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Profit before tax and interest</b>		
Merchant Banking and Related Activities	3,173.47	666.82
Financing and Other Activities	1,240.50	324.15
Equity, Commodity, Currency and Other Transactional Services	2,667.73	(81.48)
<b>Total profit before tax and interest</b>	<b>7,081.69</b>	<b>909.50</b>
<b>Add/less: Adjustments</b>		
Interest cost	(309.00)	(333.33)
Tax (expenses)/income	(1,438.06)	(67.97)
<b>Total consolidated profit after tax</b>	<b>5,334.63</b>	<b>508.20</b>

**(ii) Segment revenue**

(₹ in Lakhs)

As at 31 March 2024	Total segment revenue	Inter- segment revenue	Revenue from external customer
Merchant Banking and Related Activities	5,587.78	16.36	5,571.42
Financing and Other Activities	1,347.31	50.33	1,296.98
Equity, Commodity, Currency and Other Transactional Services	7,985.82	0.48	7,985.34
<b>Total segment revenue</b>	<b>14,920.91</b>	<b>67.17</b>	<b>14,853.74</b>

(₹ in Lakhs)

As at 31 March 2023	Total segment revenue	Inter- segment revenue	Revenue from external customer
Merchant Banking and Related Activities	2,810.56	74.97	2,735.59
Financing and Other Activities	902.22	26.84	875.38
Equity, Commodity, Currency and Other Transactional Services	4,266.44	1.13	4,265.31
<b>Total</b>	<b>7,979.23</b>	<b>102.94</b>	<b>7,876.28</b>

**Notes forming part of the consolidated financial statements (contd...)**
**(iii) Segment assets**

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Merchant Banking and Related Activities	5,310.84	9,460.43
Financing and Other Activities	4,974.88	4,866.74
Equity, Commodity, Currency and Other Transactional Services	20,411.00	12,708.60
<b>Total segment assets</b>	<b>30,696.73</b>	<b>27,035.77</b>
<b>Add/less: Adjustments</b>		
Inter segment assets	(163.94)	(9,217.23)
<b>Total assets</b>	<b>30,532.79</b>	<b>17,818.54</b>

**(iv) Segment liabilities**

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Merchant Banking and Related Activities	4,202.46	2,205.56
Financing and Other Activities	43.78	131.44
Equity, Commodity, Currency and Other Transactional Services	11,528.50	6,805.18
<b>Total segment liabilities</b>	<b>15,774.74</b>	<b>9,142.18</b>
<b>Add/less: Adjustments</b>		
Inter segment Liabilities	(163.94)	(923.51)
<b>Total liabilities</b>	<b>15,610.80</b>	<b>8,218.68</b>

**Notes forming part of the consolidated financial statements (contd...)**
**40 Financial instruments**
**(i) Financial instruments by category**

The carrying value and fair value of financial instruments by categories as on 31 March 2024 is as follows:

(₹ in Lakhs)

Particulars	Carrying value		Fair value			
	Amortised cost	FVTPL	Level - 1	Level - 2	Level - 3	Total
<b>I. Financial assets</b>						
Cash and cash equivalents	6,244.59	-	-	-	6,244.59	<b>6,244.59</b>
Bank balances other than above	11,262.69	-	-	-	11,262.69	<b>11,262.69</b>
Receivables						
(i) Trade receivables	1,471.36	-	-	-	1,471.36	<b>1,471.36</b>
(ii) Other receivables	-	-	-	-	-	-
Loans	1,644.90	-	-	-	1,644.90	<b>1,644.90</b>
Investments	-	4,122.31	4,122.31	-	-	<b>4,122.31</b>
Other financial assets	4,014.84	-	-	-	4,014.84	<b>4,014.84</b>
<b>Total financial assets</b>	<b>24,638.38</b>	<b>4,122.31</b>	<b>4,122.31</b>	<b>-</b>	<b>24,638.38</b>	<b>28,760.69</b>
<b>Financial Liabilities</b>						
Payable						
(i) Trade payable						
- Total outstanding dues of micro enterprises and small enterprises	97.98	-	-	-	97.98	<b>97.98</b>
- Total outstanding dues of other than micro enterprises and small enterprises	10,830.52	-	-	-	10,830.52	<b>10,830.52</b>
(ii) Other payable						
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- Total outstanding dues of other than micro enterprises and small enterprises	6.36	-	-	-	6.36	<b>6.36</b>
Borrowings (other than debt securities)	1,153.84	-	-	-	1,153.84	<b>1,153.84</b>
Subordinated Liabilities	902.50	-	-	-	902.50	<b>902.50</b>
Other financial liabilities	1,356.02	-	-	-	1,356.02	<b>1,356.02</b>
<b>Total financial liabilities</b>	<b>14,347.21</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,347.21</b>	<b>14,347.21</b>



**Notes forming part of the consolidated financial statements (contd...)**

The carrying value and fair value of financial instruments by categories as on 31 March 2023 is as follows:

(₹ in Lakhs)

Particulars	Carrying value		Fair value			
	Amortised cost	FVTPL	Level - 1	Level - 2	Level - 3	Total
<b>I. Financial assets</b>						
Cash and cash equivalents	768.94	-	-	-	768.94	<b>768.94</b>
Bank balances other than above	5,925.59	-	-	-	5,925.59	<b>5,925.59</b>
Receivables						
(i) Trade receivables	952.18	-	-	-	952.18	<b>952.18</b>
(ii) Other receivables	-	-	-	-	-	<b>-</b>
Loans	3,677.61	-	-	-	3,677.61	<b>3,677.61</b>
Investments	175.00	2,314.90	2,314.90	-	175.00	<b>2,489.90</b>
Other financial assets	3,143.17	-	-	-	3,143.17	<b>3,143.17</b>
<b>Total financial assets</b>	<b>14,642.48</b>	<b>2,314.90</b>	<b>2,314.90</b>	<b>-</b>	<b>14,642.48</b>	<b>16,957.38</b>
<b>Financial Liabilities</b>						
Payable						
(i) Trade payable						
- Total outstanding dues of micro enterprises and small enterprises	7.76	-	-	-	7.76	<b>7.76</b>
- Total outstanding dues of other than micro enterprises and small enterprises	5,586.44	-	-	-	5,586.44	<b>5,586.44</b>
(ii) Other payable						
- Total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	<b>-</b>
- Total outstanding dues of other than micro enterprises and small enterprises	10.56	-	-	-	10.56	<b>10.56</b>
Borrowings (Other than debt securities)	1,273.40	-	-	-	1,273.40	<b>1,273.40</b>
Subordinated Liabilities	822.70	-	-	-	822.70	<b>822.70</b>
Other financial liabilities	295.03	-	-	-	295.03	<b>295.03</b>
<b>Total financial liabilities</b>	<b>7,995.89</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,995.89</b>	<b>7,995.89</b>

**(ii) Fair Value Hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level is given below:

The fair value of financial instruments are classified into three categories i.e. Level 1, 2 or 3 depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurements) and lowest priority to unobservable inputs (level 3 measurements).

## Notes forming part of the consolidated financial statements (contd...)

There were no transfers between any levels during the year.

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, preference shares and debentures which are included in level 3.

During the year there were no transfers between level 1 and level 2. Similarly there were no transfer from or transfer to level 3.

### 41 Financial risk management

The Group's business activities expose it to a variety of financial risks, namely credit risk and liquidity risk.

#### (i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or borrower or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers, borrowers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients and borrowers, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

The Group has exposure to credit risk from a loan given and credit provided to borrowers. However credits provided to borrower are secured against the pledge of the securities. The Group, based on the credit information available with its, has provided expected credit loss.

#### *Expected credit loss*

Particulars	Amount
Year ended 31 March 2024	45.52
Year ended 31 March 2023	46.58

#### (ii) Management of liquidity risk:

Liquidity risk is the risk that the Group will fail in meeting its obligations associated with its financial liabilities. The Group's approach to managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this, management considers both normal and stressed conditions. A material and sustained shortfall in our cash flow could undermine the Group's credit rating and impair investor confidence.

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows as at the balance sheet date:

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
<b>As at 31 March 2024</b>					
Payable	10,934.86	10,934.86	-	-	10,934.86
Borrowings (other than debt securities)	1,153.84	118.86	1,034.98	-	1,153.84
Subordinated Liabilities	902.50	-	-	2,500.00	2,500.00
Lease liabilities	768.67	155.21	613.47	-	768.67
Other financial liabilities	587.34	367.50	219.85	-	587.34
<b>Total</b>	<b>14,347.21</b>	<b>11,576.42</b>	<b>1,868.29</b>	<b>2,500.00</b>	<b>15,944.71</b>

**Notes forming part of the consolidated financial statements (contd...)**

(₹ in Lakhs)

Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
<b>As at 31 March 2023</b>					
Payable	5,604.76	5,593.85	11	-	5,604.76
Borrowings (other than debt securities)	1,273.40	162.15	1,111.25	-	1,273.40
Subordinated Liabilities	822.70	-	-	2,500.00	2,500.00
Lease liabilities	-	-	-	-	-
Other financial liabilities	295.03	99.76	195.27	-	295.03
<b>Total</b>	<b>7,995.89</b>	<b>5,855.76</b>	<b>1,317.43</b>	<b>2,500.00</b>	<b>9,673.19</b>

**(iii) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate risk, currency risk and price risk. Financial instruments affected by market risk include borrowings and investments measured at FVTPL.

**(a) Interest rate risk**

Exposure at the year end is as follow:

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Fixed rate borrowings	1,153.84	1,273.40
Total borrowings	1,153.84	1,273.40

An analysis by maturities is provided in Liquidity risk note above.

**Sensitivity**

Profit or loss is sensitive to higher / lower interest expense as a result of changes in interest rates. A 20 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates. With all other variables held constant, the Group's profit before tax will be impacted by a change in interest rate as follows:

(₹ in Lakhs)

Particulars	Increase / (Decrease) in profit before tax	
	Year ended 31 March 2024	Year ended 31 March 2023
Increase in interest rate by 20 basis points (20 bps)	-	-
Decrease in interest rate by 20 basis points (20 bps)	-	-

**(b) Price risk**

Exposure at the year end is as follow:

(₹ in Lakhs)

Particulars	As at 31 March 2024	As at 31 March 2023
Investment in mutual funds (Fair Value through profit and loss)	4.27	6.11
Equity instruments (Fair Value through profit and loss)	3,872.51	2,051.89
<b>Total</b>	<b>3,876.78</b>	<b>2,058.00</b>

**Notes forming part of the consolidated financial statements (contd...)**
**Sensitivity**

Profit or loss is sensitive to fair value change in investment value as a change in market price. A 10 percentage increase or decrease is used when reporting price risk internally to key management personnel and represents management's assessment of the reasonably possible change in price risk. With all other variables held constant, the Group's profit before tax will be impacted by a change in price as follows:

(₹ in Lakhs)

Particulars	Increase / (Decrease) in profit before tax	
	Year ended 31 March 2024	Year ended 31 March 2023
Increase in price by 10%	387.68	205.80
Decrease in price by 10%	(387.68)	(205.80)

**42 Capital management**
**(i) Risk management**

Equity share capital, other equity and secured borrowings from the banks are considered for the purpose of Group's capital management. The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders. The capital structure of the Group Companies is based on management's judgment of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Group considers the amount of capital in proportion to risk and manages the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may borrow from external parties such as banks or financial institutions. The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain shareholder, creditor and stakeholder confidence to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

**43 Events Occurring After The Balance Sheet Date:**

Dividend Proposed to be distributed:

(₹ in Lakhs)

Particular's	Year ended 31 March 2024	Year ended 31 March 2023
<b><u>Corporate Dividend for Equity Shareholders Proposed for the year</u></b>		
Final Dividend Proposed	-	-
Dividend Proposed Per Fully Paid Up Share	-	-

Notes forming part of the consolidated financial statements (contd...)

44 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries and Joint Ventures (Continued)

(₹ in Lakhs)

Name of the Company	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of total comprehensive income	Amount (₹ in Lakhs)
<b>As at 31 March 2024</b>								
<b>Parent</b>								
Systematix Corporate Services Limited	7.28	1,108.38	40.80	2,176.50	24.92	(3.33)	40.96	2,179.83
<b>Subsidiaries</b>								
<b>Indian</b>								
Systematix Fincorp India Limited	19.31	2,941.51	11.40	608.37	-	-	11.43	608.37
Systematix Finvest Private Limited	11.99	1,825.65	8.65	461.50	(1.87)	0.25	8.67	461.25
Systematix Shares and Stocks (India) Limited	56.51	8,607.07	38.34	2,045.35	76.99	(10.28)	38.63	2,055.64
Systematix Commodities Services Private Limited	2.84	431.92	0.82	43.70	-	-	0.82	43.70
Systematix Ventures Private Limited	0.05	7.45	(0.01)	(0.79)	-	-	(0.01)	(0.79)
Consolidation related adjustments	2.03	309.46	-	-	-	-	-	-
<b>Total</b>	100.00	15,231.45	100.00	5,334.64	100.04	(13.36)	100.50	5,348.00

Notes forming part of the consolidated financial statements (contd...)

(₹ in Lakhs)

Name of the Company	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount (₹ in Lakhs)	As % of consolidated profit or loss	Amount (₹ in Lakhs)	As % of consolidated other comprehensive income	Amount (₹ in Lakhs)	As % of total comprehensive income	Amount (₹ in Lakhs)
<b>As at 31 March 2023</b>								
<b>Parent</b>								
Systematix Corporate Services Limited	(13.19)	(1,307.16)	62.78	319.06	4.36	1.59	58.29	317.47
<b>Subsidiaries</b>								
<b>Indian</b>								
Systematix Fincorp India Limited	18.36	1,819.24	51.46	261.51	-	-	48.01	261.51
Systematix Finvest Private Limited	23.04	2,282.89	(4.23)	(21.50)	2.88	1.05	(4.14)	(22.55)
Systematix Shares and Stocks (India) Limited	66.38	6,577.94	(9.87)	(50.17)	92.76	33.82	(15.42)	(83.99)
Systematix Commodities Services Private Limited	2.21	218.77	0.62	3.13	-	-	0.57	3.13
Systematix Ventures Private Limited	0.08	8.24	(0.75)	(3.82)	-	-	(0.70)	(3.82)
Consolidation related adjustments	3.12	309.46	-	-	-	-	-	-
<b>Total</b>	<b>100.00</b>	<b>9,909.39</b>	<b>100.00</b>	<b>508.20</b>	<b>100.00</b>	<b>36.46</b>	<b>86.61</b>	<b>471.74</b>

**Notes forming part of the consolidated financial statements (contd...)**
**45 Relationship with Struck off Companies**

The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 as on 31st March, 2024.

**46 Registration of charges or satisfaction**

There are no charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period i.e. 31st March, 2024.

**47 Willful Defaulter**

The company is not declared willful defaulter by any bank or financial Institution or other lender as on 31st March, 2024.

**48 Disclosure related to funds borrowed from banks and financial institutions**

The Company has borrowings from banks or financial institutions on the basis of security of current assets;

- (a) Quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts.
- (b) There is no Material Discrepancies in books of accounts and Quarterly Return or Statement filed by the company.

**49 Corporate Social Responsibility (CSR)**

The company is not covered under section 135 of the companies act, 2013 as on 31st March, 2024.

**50 Utilisation of Borrowed funds and share premium**

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding regarding utilisation of borrowed funds and share premium.

**51 Details of Crypto Currency or Virtual Currency**

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year as on 31st March, 2024.

In terms of our report for even date attached

For and on behalf of the Board of Directors

For **Shah & Taparia**  
Chartered Accountants  
FRN NO : 109463W

**Nikhil Khandelwal**  
Managing Director  
DIN: 00016387

**Anju Khandelwal**  
Director  
DIN: 00474604

**Narottam Shah**  
Partner  
M NO. 106355

**Divyesh Badiyani**  
Company Secretary

**Anil Bhagchandani**  
Chief Financial Officer

Mumbai  
Date: 10.05.2024



## Our Branches

### Mumbai

Unit No. 303 & 304, 3rd Floor,  
Hallmark Business Plaza,  
Sant Dyaneshwar Marg,  
Near Gurunanak Hospital,  
Bandra (East), Mumbai - 400051

022 - 67048600

contactus@systematixgroup.in

08:30 AM to 06:30 PM

### Delhi

Co-offiz, 2nd Floor,  
5- Park End, Vikas Marg,  
Preet Vihar,  
Delhi -110092

contactus@systematixgroup.in

08:30 AM to 06:30 PM

### Jaipur

Office No. 35,  
Ground Floor, JSEL Building,  
Malviya Nagar,  
Jaipur - 302017

0141- 4971260

contactus@systematixgroup.in

08:30 AM to 06:30 PM

### Indore

206-207,  
Bansi Trade Centre,  
581/5, M.G. Road,  
Indore - 452001

0731 - 4068253

contactus@systematixgroup.in

08:30 AM to 06:30 PM

### Ujjain

101, Gopal Plaza,  
11 Varruchi Marg,  
Above Federal Bank,  
A. K. Building Choraha,  
Ujjain - 456010

0734 - 4041717

contactus@systematixgroup.in

08:30 AM to 06:30 PM

### Kolkata

1, Old Court House Corner,  
Tobacco House,  
2nd Floor,  
Kolkata - 700001

033 - 40331000 / 1021

contactus@systematixgroup.in

08:30 AM to 06:30 PM

### Lucknow - RO

120/1, 1st Floor,  
Indra Karan Plaza,  
Lalbagh Road,  
Lucknow - 226001

0522 - 4071418 / 19

contactus@systematixgroup.in

08:30 AM to 06:30 PM