



SYSTEMATIX CORPORATE SERVICES LIMITED

36th Annual Report

2020-2021

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AGM DETAILS**ANNUAL GENERAL MEETING**

Date : September 28, 2021

Day : Tuesday

Time : 11.00 a.m.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Chandra Prakash Khandelwal	-	Chairman & Managing Director
Mr. Nikhil Khandelwal	-	Managing Director
Mrs. Anju Khandelwal	-	Non - Executive Director
Mr. Shriram Surajmal Khandelwal	-	Independent Director
Mr. Sanjay Khandelwal	-	Independent Director
Mr. Rakesh Mehta	-	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Anil Bhagchandani

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Shweta Sharma

PRACTISING COMPANY SECRETARY

M/s. Kothari H. & Associates
Company Secretaries,
208, 11th Floor, BSE Building,
Dalal Street, Fort Mumbai -400 001

AUDITORS

M/s. S. Jawahar & Associates
Chartered Accountants
Lalithalaya, 2nd Floor, No.5, Panjalamman Koil
Street, Arumbakkam, Chennai - 600 106.

BANKERS

Axis Bank Limited
Bank of India
Yes Bank Limited

REGISTRAR & TRANSFER AGENTS

CAMEO CORPORATE SERVICES LIMITED
Subramanian Building, No.1, Club House Road,
Chennai – 600002, Tamilnadu
Tel No.: 044 - 22846039 , Fax No.: 044 – 28460129
e-mail: cameo@cameoindia.com , Web: www.cameoindia.com

REGISTERED OFFICE

206-207, Bansi Trade Centre, 581/5, M.G.Road,
Indore – 452001, Madhya Pradesh.
Tel.: 0731-4068253
e-mail: secretarial@systematixgroup.in
Web: www.systematixgroup.in

CORPORATE OFFICE

"The Capital", A' Wing, 6th Floor, No. 603 -606,
Plot No. C-70, 'G' Block,
Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051

CORPORATE IDENTITY NUMBER

L91990MP1985PLC002969

Key Managerial Personnel's Profile

CHANDRA PRAKASH KHANDELWAL : CHAIRMAN & MANAGING DIRECTOR

Mr. Chandra Prakash Khandelwal, an avant-garde visionary, is the founder and chairman of Systematix group. He is a qualified Chartered Accountant and has a vast experience of more than 35 years in consummating mega deals involving some of the largest conglomerates in India. His foresight and acumen are complimented by strong moral values, which make it easy for corporate to rely on him and the group. As an effective leader and motivator he has taken the group to greater heights. His excellent reputation and industry wide contact base have been one of the most vital sources of growth for the group.

ANJU KHANDELWAL : NON - EXECUTIVE DIRECTOR

Mrs. Anju Khandelwal is a Master of Engineering in Power & Electronic. She is also Bachelor of Engineering in Electronic and Electricals. She has experience of more than 15 years as Asst. professor in GSITS, one of the oldest and leading engineering college in Central India. Mrs. Anju Khandelwal is Director of Systematix Shares and Stocks (India) 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.

NIKHIL KHANDELWAL : 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 15 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.

SHRIRAM SURAJMAL KHANDELWAL : INDEPENDENT DIRECTOR

Mr. Shriram Khandelwal is a qualified Chartered Accountant with more than 35 years of experience in the Accounts & Finance profession and he is based at Mumbai. 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 36 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.

ANIL BHAGCHANDANI : CHIEF FINANCIAL OFFICER

Mr. Anil Bhagchandani is a qualified Chartered Accountant with a rich experience of more than 11 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.

SHWETA SHARMA : COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Shweta Sharma is an associate member of Institute of Company Secretaries of India and has gained experience of around 15 years in Corporate Law and Compliances. She is associated with Systematix Group since 2017. She has sound knowledge on SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013. She has ability to establish and implement good governance practices. She has strong determination towards corporate and professional growth.

NOTICE

NOTICE is hereby given that the 36th Annual General Meeting of the Members of Systematix Corporate Services Limited will be held on Tuesday, 28th September, 2021 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 approve the standalone and consolidated audited financial statements comprising balance sheet as at 31st March, 2021, statement of profit and loss alongwith the schedules and cash flow statement of the Company for the year ended 31st March, 2021 together with the reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Chandra Prakash Khandelwal (DIN: 00016373) who retires by rotation and being eligible, offers himself for re-appointment and in this regard 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 152 of the Companies Act, 2013, Mr. Chandra Prakash Khandelwal (DIN: 00016373), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. To ratify the appointment of Auditors and fix their remuneration and in this regard, pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 (8) of the Companies Act, 2013 (the "Act") read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modifications or re-enactment thereof, for the time being in force), consent of the Company be and is hereby accorded to ratify the appointment of M/s. S Jawahar & Associates, Chartered Accountants (Firm Registration No. 006232S) as the Statutory Auditors of the Company for the remaining period from the conclusion of this Annual General Meeting till the conclusion of the 37th Annual General Meeting of the Company on such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors."

SPECIAL BUSINESS:

4. To increase the overall managerial remuneration of Mr. Chandra Prakash Khandelwal, Managing Director of the Company.

To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the recommendations of the Nomination and Remuneration Committee and the Board of Directors, the provisions of Section 196, 197, 198 and 201 of the Companies Act, 2013 (the "Act") along with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V to the Act, 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 approvals, permissions and sanctions of such authorities and/or agencies as may be required in this regard and subject to the provisions of the Articles of Association of the Company, the approval of the Members be and is hereby accorded for increasing the Managerial Remuneration from Rs 18 Lacs p.a. to Rs 84 Lacs

p.a., which is within the maximum permissible remuneration as per Section II of Part II of Schedule V of the Companies Act, 2013, payable to Mr. Chandra Prakash Khandelwal, Managing Director of the Company, for the period starting from 1st April, 2021 till the period the appointment is effective on the terms and conditions as recommended by Nomination & Remuneration Committee and approved by the Board of Directors of the Company and as set out in the explanatory statement forming part of this resolution.

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 in the event of loss or inadequacy of profit in any financial year during the currency of tenure of services of Mr. Chandra Prakash Khandelwal, the payment of salary, perquisites and other allowances shall be governed by the limits prescribed under Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT any one of the Director of the Company be and is hereby authorized to do all such acts, deeds and thing as may be necessary, desirable or expedient to give effect to this resolution."

5. To re-appoint Mr. Nikhil Khandelwal as a Managing Director of the Company.

To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modification or re-enactment thereof, or any other law and subject to such consents, approvals and permissions as may be necessary in this regard and subject to such conditions as may be imposed by any authority while granting such consents, permissions and approvals and as are agreed by the Board of Directors (hereinafter referred to as the Board, which term shall unless repugnant to the context or meaning thereof, be deemed to include any committee thereof and any person authorised by the Board in this behalf), consent of the members be and is hereby accorded for the re-appointment of Mr. Nikhil Khandelwal (DIN : 00016387) as Managing Director of the Company for a period of Five years with effect from 1st September, 2021 to 31st August, 2026, at remuneration upon such terms and conditions as set out in the explanatory statement as annexed to this notice.

RESOLVED FURTHER THAT Mr. Nikhil Khandelwal shall be paid the remuneration of Rs. 20,00,000/- p.a. for a period of three years of his tenure and the remuneration shall be within the ceiling as prescribed under Schedule V of the Companies Act, 2013.

RESOLVED FURTHER THAT in the event of any statutory amendment or modification by the Central Government to schedule V to the Companies Act, 2013, the Board of Directors be and are hereby authorized to vary and alter the terms of appointment including salary, commission, perquisites, allowances etc. payable to Mr. Nikhil Khandelwal within such prescribed limit or ceiling and as agreed by and between the Company and Mr. Nikhil Khandelwal without any further reference to the Company in General Meeting.

RESOLVED FURTHER THAT any of the Directors of the Company be and is hereby authorized to do all such acts, deeds and thing as may be necessary, desirable or expedient to give effect to this resolution.*

By Order of the Board

Sd/-

Shweta Sharma
Company Secretary

Date: 12.08.2021

Place: Mumbai

Registered Office:

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

NOTES

1. In view of the continuing COVID-19 pandemic, Ministry of Corporate Affairs ("MCA") has vide its Circular No. 20/2020 dated May 05, 2020 read with Circulars No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 2/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 & SEBI / HO / CFD / CMD2 / CIR / P / 2021 / 11 dated January 15, 2021 permitted holding of Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM) without physical presence of members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.

For this purpose, necessary arrangements have been made by the 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.

2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars mentioned above, the Company is providing facility of Remote e-voting (E-voting from a place other than venue of the Meeting) and E-voting during AGM, to its Members in respect of the businesses to be transacted at the AGM.

For this purpose, necessary arrangements have been made by the Company with CDSL to facilitate Remote e-voting and E-voting during AGM. The instructions for the process to be followed for Remote e-voting and E-voting during AGM is forming part of this Notice.

3. Pursuant to the provisions 105 of the Act and Rule 19 of the Companies (Management and Administration) Rules, 2014 (as amended from time to time), a Member is entitled to attend and vote at the AGM is entitled to appoint proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since, this AGM is being held through VC/OAVM, the physical attendance has been dispensed with. Accordingly, the facility for appointment of proxies by the members to attend and cast vote is not available for this AGM and hence the Proxy Form is not annexed to this notice.
4. Pursuant to Section 113 of the Act, Institutional/ Corporate Members (i.e. other than HUF, NRI etc.) intending to attend the meetings through their authorized representatives are requested to send a scanned copy of certified true copy of the Board Resolution and/or Power of Attorney to the Company (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 secretarial@systematixgroup.in
5. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report for FY 2020-21 is being sent only through electronic mode to those Members whose name appear in the Register of Members / Beneficial Owners maintained by the Depositories as on benpos date i.e. Friday, 13th August, 2021 whose e-mail address is registered with the Company or the Depository Participant(s). Members may note that the Notice and Annual Report for FY 2020-21 will also be available on website of the Company, i.e.

<https://www.systematixgroup.in/> and website of BSE Limited, i.e. <https://www.bseindia.com/> and Notice of the AGM will be available on the website of the CDSL at <https://www.evotingindia.com/>.

6. Members (Physical / Demat) who have not registered their email addresses with the Company/RTA may obtain Annual Report for FY 2020-21 in electronic mode by getting e-mail address registered with the company/RTA. Process for registration of E-mail address with the Company/RTA forms part of this Notice.
7. Members (Physical / Demat) who have not registered their email addresses with the Company/RTA may obtain Login credentials for attending AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) and to vote for the resolutions proposed in the Notice. Process for obtaining Login credentials for e-voting for the resolutions proposed in the Notice forms part of this Notice.
8. All the documents referred to in the accompanying Notice and Explanatory Statements shall be available for inspection in electronic mode. Members can inspect the same up to the date of AGM, by sending an e-mail to the Company at secretarial@systematixgroup.in.
9. Notice is also given under section 91 of the Companies Act, 2013 read with regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that the Register of Members and the Share Transfer Book of the Company will remain closed from Tuesday, 21st September, 2021 to Tuesday, 28th September, 2021 (both days inclusive).
10. The Member whose name appears on the Register of Members / Beneficial Owners maintained by the Depositories as on cut-off date i.e. Monday, 20th September, 2021 will only be considered for the purpose of Remote e-voting and E-voting during AGM.
11. Voting rights shall be reckoned on the paid-up value of shares registered in the name of Members / Beneficial Owners maintained by the Depositories as on the cut-off date i.e. Monday, 20th September, 2021. A person who is not a member as on the cut-off date should treat this Notice for information purposes only.
12. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. The Members attending the AGM should note that those who are entitled to vote but have not exercised their right to vote by Remote e-voting, may vote during the AGM through E-voting for all businesses specified in the accompanying Notice. The Members who have exercised their right to vote by Remote e-voting may attend the AGM but shall not vote at the AGM.
14. Members who are holding shares in physical form or who have not registered their email address with the Company / RTA or any person who acquires shares of the Company and becomes a Member of the Company after the Notice has been sent electronically by the Company, and holds shares as of the cut-off date, i.e. Monday, 20th September, 2021, may obtain the User ID and password by sending a request at helpdesk.evoting@cdslindia.com or cameo@cameoindia.com. However, if a Member is already registered with CDSL for Remote e-voting and E-voting, then existing User ID and password can be used for casting vote.

15. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Cameo Corporate Services Ltd, Registrar & Transfer Agent of the Company in case the shares are held by them in physical form.
16. The Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which include easy liquidity, since trading is permitted in dematerialized form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries. Further, effective from April 01, 2019, requests for effecting transfer of securities shall not be processed unless the securities are held in a dematerialized form with a depository except in case of transmission or transposition of securities as per the Listing Regulations. Therefore, the Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding at the earliest.
17. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Cameo Corporate Services Limited, Registrars and Transfer Agents.
18. Pursuant to Section 72 of the Companies Act, 2013, Members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in Form No. SH- 13, to the Registrar and Transfer Agent of the Company. Further, Members desirous of cancelling/ varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in Form No. SH-14, to the Registrar and Transfer Agent of the Company. These forms will be made available on request.
19. Non- Resident Indian Members are requested to inform Cameo Corporate Services Limited, Registrars and Transfer Agents, immediately of:
 - (i) Change in their residential status on return to India for permanent settlement.
 - (ii) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
20. As stipulated under 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), a profile and brief resume of the directors seeking appointment/ re-appointment, their memberships/ chairmanship in various Board Committees and names of other Companies in which they hold directorships, is annexed to the Notice.
21. The Board of Directors of the Company has appointed M/s. Kothari H. & Associates, Practicing Company Secretaries for scrutinizing the Remote e-voting and E-voting process to ensure that the process is carried out in a fair and transparent manner.
22. Investor Grievance Redressal: The Company has designated an exclusive e-mail id

secretarial@systematixgroup.in to enable investors to register their complaints, if any.

23. The Company's Registrar and Transfer Agents for its share registry (both physical as well as electronic) is Cameo Corporate Services Limited having its office at "Subramanian Building", V Floor, Building no.1, Club House Road, Chennai-600002.
24. Since the AGM will be held through VC / OAVM, the Route Map and Attendance Slip are not annexed to this Notice.
25. The Scrutinizer shall, after the conclusion of the AGM, submit the Consolidated Scrutinizer's Report (i.e. votes cast through Remote e-voting and E-voting during AGM) of the total votes cast in favour or against the resolution and invalid votes, to the Chairman of the Company or to any other person authorised by the Chairman of the Company.
26. Based on the Scrutinizer's Report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the Listing Regulations. The results declared along with the Scrutinizer's Report shall be placed on the Company's website <https://www.systematixgroup.in/>. The same shall also be placed on the website of CDSL.

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

- i. The voting period begins on Saturday 25th September, 2021 at 09.00 a.m. and ends on Monday, 27th September, 2021 at 05.00 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. on Monday, 20th September, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 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.
- iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on e-Voting facility provided by the Company, 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	For Members holding shares in Demat Form and Physical Form
Individual Shareholders	• 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

holding securities in Demat mode with CDSL	page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting 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 & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 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 www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	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: https://eservices.nsdl.com 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 & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ 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 hold 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 & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	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 helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
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 evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

v. 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.
- 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 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:

	For Physical shareholders and other than individual shareholders holding shares in Demat
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as

	physical shareholders) 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.
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- vi. After entering these details appropriately, click on "SUBMIT" tab.
- vii. 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.
- viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
 - a. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- ix. 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.
- x. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xi. 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.
- xii. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiii. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xiv. 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.
- xv. 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 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.

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in 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 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 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 MEETING ARE AS UNDER:

1. The procedure for attending meeting & 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 meeting 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 meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. 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.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 3 (Three) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at secretarial@systematixgroup.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 (Seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. 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.

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 meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

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 / RTAatcameo@cameoindia.com.
2. For Demat shareholders - Please update your email id & mobile no. with your respective 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 or contact at 022- 23058738 and 022- 23058542/43.

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 or call on 022-23058542/43.

Registration of email id for shareholders holding shares in Demat Mode :

The Members of the Company holding Equity Shares of the Company in Demat Mode and who have not registered their e-mail addresses may get their e-mail addresses registered with the Depository. For which, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

PROCESS FOR THOSE MEMBERS WHOSE E-MAIL ADDRESSES ARE NOT REGISTERED WITH THE COMPANY/ RTA FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE

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 Aadhaar Card) by email to RTA/ Company email id at cameo@cameoindia.com or secretarial@systematixgroup.in.

For Demat Shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to RTA/Company e-mail id at cameo@cameoindia.com or secretarial@systematixgroup.in.

The Company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned Shareholders.

ANNEXURE TO THE NOTICE :**EXPLANATORY STATEMENT IN RESPECT OF SEPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.****ITEM NO. 4**

Mr. Chandra Prakash Khandelwal is one of the promoter and founder of the Company and has been a significant contributor to the growth of the Company ever since its incorporation. He holds degree of Chartered Accountant from ICAI and has experience of more than 35 years in the field of finance and capital marketing.

Mr. Chandra Prakash Khandelwal was appointed as Managing director of the company for the period of 5 years commencing from 1st April, 2017 to 31st March, 2022, at a remuneration of Rs. 18 Lacs p.a.. Based on the annual review of his performance and outstanding achievements and contribution made by Mr. Chandra Prakash Khandelwal towards the growth of the Company, it is proposed to increase the overall remuneration of Mr. Chandra Prakash Khandelwal from existing Rs. 18 Lacs p.a. to Rs. 84 Lacs p.a.

The appointment of Mr. Chandra Prakash Khandelwal as the Managing Director of the Company would be governed by Sections 196, 197, 203 read with Part II, Section II of Schedule V and any other applicable provisions of the Companies Act, 2013.

The Remuneration payable to the Managing Director has been recommended by the Nomination & Remuneration Committee of the Directors.

During the financial year ended to 31st March, 2021, 5 (Five) Board Meetings were held and Mr. Chandra Prakash Khandelwal had attended all the Board Meetings of the Company. Also details of Directorship in other companies is attached as **Annexure I**.

This statement may also be treated as a Memorandum issued pursuant to Section 190 of the Companies Act, 2013.

None of the Directors / Key Managerial Personnel of the Company / their relatives except Mr. Chandra Prakash Khandelwal, Mr. Nikhil Khandelwal and Mrs. Anju Khandelwal is in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 4 of the Notice.

The information required to be given along with the Notice of Annual General Meeting as per Section II (B) of Part II of Schedule V of the Companies Act, 2013 is given as attachment to the Notice and this Explanatory Statement.

THE INFORMATION AS PER SECTION II (B) OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013.**I. GENERAL INFORMATION:**

- | | |
|--|---------------------|
| i. Nature of Industry | - Financial Service |
| ii. Year of commencement of commercial production | - 1985 |
| iii. Financial performance based on the Audited Accounts for the year ended 31.03.2021 | |

(₹ in Lakh)

Turnover	914.76
Other Income	106.41
Total Expenditure	921.63
Net Profit after tax	104.41

- iv. Foreign investment and collaboration, if any - N.A.

II. INFORMATION ABOUT THE APPOINTEE :

1. Background details :

Mr. Chandra Prakash Khandelwal is a fellow member of Institute of Chartered Accountant of India and having more than 35 years of experience in field of Capital Market, Financial Services and Taxation. The Systematix Group has strategically branched into diversified areas of business unit offering holistic finance & investment services to medium and large organizations in the domestic and international markets. The group under his able guidance & leadership, is positioned as a one stop finance and investment consulting firm with a range of services from Merchant banking to NBFC to broking on BSE (Capital and Futures & Options), NSE (Capital and Futures & Options and Currency Derivative), Depository services (CSDL), PMS and MCX/NCDEX/NSEL.

2. Past remuneration :

The past remuneration paid to Mr. Chandra Prakash Khandelwal was 18,00,000/- (Rupees Eighteen Lakh Only) per annum in the Company.

3. Recognition or awards : No.

4. Job profile and his suitability :

Mr. Chandra Prakash Khandelwal has more than 35 years of experience in field of Capital Market, Financial Services and Taxation.

He started his own financial Consultancy Services in the year 1987. As a Corporate Financial Advisor he advised his clients on capital / financial restructuring, Valuations, Business Models and Project Financing. He soon established himself in this field with his ability to quickly gauge the viability of various business projects and provide pragmatic solutions in a dynamic environment.

5. Remuneration proposed :

Particulars	Remuneration
Salary	84,00,000/- per annum (Basic Salary and annual increase therein to be decided by the Board of Directors within the above ceiling for a period of three years of his tenure of re-appointment.)
Special Allowance	As may be decided by the Board from time to time which shall not include Provident Fund, Gratuity, Superannuation Fund etc.
Provident Fund, Superannuation Fund, Gratuity, Earned Leave	As per the Rules and Regulations of the Company

Leave Travel Concession	For Self & Family, 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.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The remuneration proposed is comparatively higher than what is being paid to the persons holding similar positions in the companies in the Merchant Banking Industry operating in India. Taking into consideration the experience of Mr. Chandra Prakash Khandelwal and as the Company is a mid-size Company, the proposed remuneration is well deserving by Mr. Chandra Prakash Khandelwal being the Managing Director of the Company who is so pro-actively involved in the business and operations of the Company and the aforesaid salary goes hand to hand with the current state of the financial service industry and its current scenario.

7. Pecuniary relationship directly and indirectly with the Company, or relationship with the managerial personal, if any:

Mr. Chandra Prakash Khandelwal holds 2.12% of the Paid up equity Capital of the Company.

III. OTHER INFORMATION :

1. Reasons of inadequate profits :

The Company operates in providing financial Services which is highly influenced and dependent upon the changing stock market conditions. It also is very much dependant on the changing political, economical and social factors which are continuous in the Industry. And the recent economic slowdown has also impacted the Industry and in turn has affected the Company's business.

2. Steps taken or proposed to be taken for improvement :

The Company is in the process of expanding its business in India and abroad as well for which it has certain projects and plans under pipeline thereby enhancing the scope for the Company's business.

3. Expected increase in productivity and profits in measurable terms :

As expressed above, the Company already has certain projects and plans under pipeline regarding the business expansion in India and abroad widening the scope of its business on an International Level.

ITEM NO. 5

None of the Directors / Key Managerial Personnel of the Company / their relatives Mr. Nikhil Khandelwal holds a degree in Master in Business Administration (MBA) from the ISB, Hyderabad and Bachelor in Engineering (BE) from Manipal Institute of Technology (MIT) with more than 15 years of rich experience in M & A, Private Equity, Strategic Advisory and Institutional Equities Research for a wide variety of industries and clients in India and internationally.

The Directors of the Company at the Board Meeting held on 12th August, 2021 had subject to the approval of the shareholders, approved his re-appointment as Managing Director of the Company for the next five years w.e.f. 1st September, 2021 to 31st August, 2026, at a remuneration of Rs. 20 Lacs p.a. and upon such terms and conditions as set out by the Board of Directors.

The re-appointment of Mr. Nikhil Khandelwal as Managing Director of the Company would be governed by Sections 196, 197, 203 read with Part II, Section II of Schedule V of the Companies Act, 2013 and rules made thereunder, and any other applicable provisions of the Companies Act, 2013.

The Remuneration payable to the Managing Director has been recommended by the Nomination & Remuneration Committee of the Directors.

During the financial year ended 31st March, 2021, 5 (Five) Board Meetings were held and Mr. Nikhil Khandelwal had attended all the Board Meetings of the Company. Also details of Directorship in other companies is attached as **Annexure II**.

This statement may also be treated as a Memorandum issued pursuant to Section 190 of the Companies Act, 2013. It is hereby declared that Mr. Nikhil Khandelwal, Mr. Chandra Prakash Khandelwal and Mrs. Anju Khandelwal is in any way, concerned or interested, financially or otherwise, in the Special Resolution set out in the Notice.

The information required to be given along with the Notice of Annual General Meeting as per Section II (B) of Part II of Schedule V of the Companies Act, 2013 is given as attachment to the Notice and this Explanatory Statement.

THE INFORMATION AS PER SECTION II (B) OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013.

I. GENERAL INFORMATION :

- i. Nature of Industry - Financial Service
- ii. Year of commencement of commercial production - 1985
- iii. Financial performance based on the Audited Accounts for the year ended 31st March, 2021

(in Lakh)

Turnover	914.76
Other Income	106.41
Total Expenditure	921.63
Net Profit after tax	104.41

- iv. Foreign investment and collaboration, if any - N.A.

II. INFORMATION ABOUT THE APPOINTEE :

1. Background details :

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 Group and has more than 15 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 holds a degree in management studies (MBA) from the ISB, Hyderabad and Bachelor in Engineering (BE) from Manipal Institute of Technology (MIT).

2. Past remuneration : NIL

3. Recognition or awards : No.

4. Job profile and his suitability :

Mr. Nikhil Khandelwal has more than 15 years of experience in M&A, Private Equity and Strategic Advisory for a wide variety of industries and clients in India and internationally.

5. Remuneration proposed :

Particulars	Remuneration
Salary	20,00,000/- per annum (Basic Salary and annual increase therein to be decided by the Board of Directors within the above ceiling for a period of three years of his tenure of re-appointment.)
Special Allowance	As may be decided by the Board from time to time which shall not include Provident Fund, Gratuity, Superannuation Fund etc.
Provident Fund, Superannuation Fund, Gratuity, Earned Leave	As per the Rules and Regulations of the Company
Leave Travel Concession	For Self & Family, 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.

6. Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person:

The remuneration proposed is comparatively lower than what is being paid to the persons holding similar positions in the companies in the Merchant Banking Industry operating in India taking into consideration the experience of Mr. Nikhil Khandelwal and as the Company is a mid-size Company, the proposed remuneration is well deserving by Mr. Nikhil Khandelwal being the Managing Director of the Company who is so pro-actively involved in the business and operations of the Company and the aforesaid salary goes hand to hand with the current state of the financial service industry and its current scenario.

7. Pecuniary relationship directly and indirectly with the Company, or relationship with the managerial personal, if any :

Mr. Nikhil Khandelwal holds 0.73% of the Paid up equity Capital of the Company.

III. OTHER INFORMATION :

1. Reasons of inadequate profits :

The Company operates in providing financial Services which is highly influenced and dependent upon the changing stock market conditions. It also is very much dependant on the changing political, economical and social factors which are continuous in the Industry. And the recent economic slowdown has also impacted the Industry and in turn has affected the Company's business.

2. Steps taken or proposed to be taken for improvement :

The Company is in the process of expanding its business in India and abroad as well for which it has certain projects and plans under pipeline thereby enhancing the scope for the Company's business.

3. Expected increase in productivity and profits in measurable terms :

As expressed above, the Company already has certain projects and plans under pipeline regarding the business expansion in India and abroad widening the scope of its business on an International Level.

Mr. Nikhil Khandelwal satisfies all the conditions as set out in Part- I of Schedule V and section 196 (3) of the Companies Act, 2013, also he is eligible for re-appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013. Mr. Nikhil Khandelwal is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

DISCLOSURES

All the relevant information pertaining to remuneration of the Managing Director and other Directors required to be disclosed in the Directors' Report under the heading "Corporate Governance", are attached to the Annual Report.

Your Directors recommend the resolutions as set out in Item No. 4 and 5 of the Notice for your approval.

ANNEXURE TO THE NOTICE :

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	Mr. Chandra Prakash Khandelwal	Mr. Nikhil Khandelwal
1	Date of Birth	14/02/1959	12/12/1984
2	Age	62 years	36 Years
3	Date of Appointment	30/03/1995	13/08/2018
4	Permanent Account Number (PAN)	ACVPK1997R	ARPPK3859H
5	Director Identification Number(DIN)	00016373	00016387
6	Expertise in specific functional areas	More than 35 years	More than 15 years
7	No. of Equity shares held in the Company (as on March 31, 2021)	2,74,721	95,099
8	Qualifications	Chartered Accountant	B.E., MBA
9	List of other directorships (excluding Foreign Company)	As per Annexure -I	As per Annexure -II
10	Membership/ Chairmanship of Committees of other Public Companies (includes only Audit Committee and Stakeholders Relationship Committee)	-	-
11	Relationships, if any, between Directors, Manager & KMP inter se	Spouse of Mrs. Anju Khandelwal and father of Mr. Nikhil Khandelwal	Son of Mr. Chandra Prakash Khandelwal and Mrs. Anju Khandelwal.
12	Terms & Conditions of re-appointment	Executive Director liable to retire by rotation	Re-appointment for next 5 Years
13	Remuneration last drawn	18 Lacs	20 Lacs
14	Remuneration sought to be paid	84 Lacs	20 Lacs
15	Shareholding	2,74,721	95,099
16	No. of Board Meetings attended during the financial year 2020-2021	5 (Five)	5 (Five)

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	Managing Director	01-02-2000
2.	Systematix Commodities Services Private Limited	Director	16-09-2005
3.	Systematix Fincorp India Limited	Whole-time Director	25-05-2007
4.	Systematix Finvest Private Limited	Director	01-12-2010

5.	Systematix Assets Management Company Private Limited	Director	01-07-2010
6.	Systematix Capital Services Private Limited	Director	06-06-2003
7.	Systematix Ventures Private Limited	Director	09-03-2018
8.	Superstar Exports Private Limited	Director	12-03-2004
9.	Shiv Shakti Real Estate Private Limited	Director	01-02-2000
10.	Thirdwave Mercantile Company Private Limited	Director	12-03-2004
11.	Goldflag Exports Private Limited	Director	22-12-2004
12.	Perspire Builders & Developers Private Limited	Director	20-09-2012
13.	Wonderdream Realtors Private Limited	Director	02-07-2013
14.	Unicom Infra Projects And Estates Private Limited	Nominee Director	11-09-2012
15.	DDPL Global Infrastructure Private Limited	Nominee Director	11-09-2012
16.	Sant Sundardas Foundation	Director	01-04-2014
17.	KPA Welfare Foundation	Director	08-07-2015

Annexure – II

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.	Superstar Exports Private Limited	Director	12-03-2004
2.	Swaraj Apartments 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.	Wonderdream Realtors Private Limited	Director	02-07-2013
6.	Systematix Ventures Private Limited	Director	03-09-2013
7.	Funsign Real Estate Private Limited	Director	02-07-2014
8.	Ceepeek Real Estate Private Limited	Director	02-07-2014
9.	Shubham Mangalam Real Estate Private Limited	Director	02-07-2014
10.	Snehvardhini Properties Private Limited	Director	02-07-2014
11.	Tekpoint Properties Private Limited	Director	02-07-2014
12.	Rangsharda Properties Private Limited	Director	02-07-2014
13.	Systematix Shares and Stocks (India) Limited	Whole-time Director	15-01-2016
14.	First Lady Housing Private Limited	Director	01-05-2016
15.	Systematix Commodities Services Private Limited	Director	25-06-2019
16.	Perspire Builders and Developers Private Limited	Director	20-09-2012

DIRECTORS' REPORT

To,
The Members of
SYSTEMATIX CORPORATE SERVICES LIMITED

Your Directors have pleasure in presenting the 36th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2021.

1. FINANCIAL SUMMARY OF THE COMPANY:

(₹ in Lakh except EPS)

Particulars	Current Financial Year (31.03.2021)		Previous Financial Year (31.03.2020)	
	Standalone	Consolidated	Standalone	Consolidated
Revenue from Operations	914.76	5429.87	426.66	5,133.96
Other Income	106.41	144.82	53.65	233.15
Profit/loss before Depreciation, Finance Costs, Exceptional items and Tax Expense	336.94	750.79	(114.91)	1,102.18
Less: Depreciation/ Amortisation/ Impairment	29.17	289.09	104.70	586.82
Profit /loss before Finance Costs, Exceptional & Extraordinary items and Tax Expense	307.77	461.70	(219.61)	515.36
Less: Finance Costs	208.24	354.68	179.03	970.43
Profit /loss before Exceptional & Extraordinary items and Tax Expense	99.54	107.03	(398.64)	(455.07)
Add/(less): Exceptional items	-	-	-	-
Add/(less): Extraordinary Items	-	-	-	-
Profit /loss before Tax	99.54	107.03	(398.64)	(455.07)
Less: Tax Expense				
Provision for Taxation	-	24.88	(10.58)	23.36
Deferred Tax	(4.87)	(21.07)	(10.26)	(20.25)
Income Tax related to Earlier Years	-	(28.42)	-	(13.28)
Profit /loss for the year (1)	104.41	131.64	(377.80)	(444.90)
Add/(less): Other Comprehensive Income (2)	2.72	31.55	(1.60)	(1.29)
Tot Comprehensive Income/loss Total (1+2)	107.12	163.19	(379.40)	(446.19)
Balance of profit /loss for earlier years	1,938.95	3523.66	2,318.35	3,971.88
Less: Transfer to Debenture Redemption Reserve	-	-	-	-
Less: Transfer to Reserves	107.12	161.52	(379.40)	(448.22)
Less: Dividend paid on Equity Shares	-	-	-	-

Less: Dividend paid on Preference Shares	-	-	-	-
Less: Dividend Distribution Tax	-	-	-	-
Balance carried forward	2046.08	3685.18	1,938.95	3,523.66
EPS (Basic)	0.80	1.01	(2.91)	(3.43)
EPS(Diluted)	0.80	1.01	(2.91)	(3.43)

2. COVID-19 :

The spread of SARS-CoV-2 virus (referred as 'COVID-19') across the globe and in India has contributed to a significant decline and volatility in global and Indian financial markets and a contraction in the economic activities. On 11th March, 2020, COVID-19 outbreak was declared as a global pandemic by the World Health Organisation. The Indian Government announced lockdown, which is being extended from time to time with or without relaxations across the country based on the severity of the spread at local levels.

The Company have evaluated the impact of the pandemic on its business operations under various scenarios. However, the Company had continued its operations during the lockdown period considering that revenue are based on assignments for Merchant Banking activities which is its core business.

Since the Company belongs to service industry, consequent to the lockdown announcement, the Employees were facilitated to Work from Home (WFH) and were enabled through secured remote access to ensure continuity of services with minimal disruption.

3. 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.

4. DIVIDEND :

The Board of Directors of your company, after considering the present circumstances, has decided that it would be prudent, not to recommend any dividend for the year under review.

5. BRIEF DESCRIPTION OF THE COMPANY'S WORKING DURING THE YEAR / STATE OF COMPANY'S AFFAIR:

As is evident from the above financial review, during the year, the company has earned standalone income of ₹ 1021.17 Lakh as compared to income of ₹ 480.30 Lakh of the previous year which is 112.61% more as compared to last year Income. Consolidated income of ₹ 5,574.69 Lakh as compared to income of ₹ 5,367.12 Lakh of the previous year which is 3.87% more as compared to last year Income.

The Company has incurred standalone profit during the year of ₹ 104.41 Lakh as compared to the standalone loss of the previous year of ₹ 377.80 Lakh, and consolidated profit after tax during the year of ₹ 131.64 Lakh as compared to the consolidated Loss after tax of the previous year of ₹ 444.90 Lakh.

6. 6.1 DETAILS OF WHOLLY OWNED SUBSIDIARIES :

The Company as on **31st March, 2021** had five Wholly Owned Subsidiaries and one LLP :

- (i) Systematix Shares and Stocks (India) Limited
- (ii) Systematix Fincorp India Limited
- (iii) Systematix Finvest Private Limited
- (iv) Systematix Commodities Services Private Limited
- (v) Systematix Ventures Private Limited
- (vi) Divisha Alternative Investments LLP

6.2 REPORT ON PERFORMANCE AND FINANCIAL POSITION OF SUBSIDIARIES :

During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiaries. In accordance with Section 129(3) of the Companies Act, 2013, we have prepared consolidated financial statements of the Company and all its subsidiaries, which form part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiaries in the prescribed format AOC-1 is appended as "Annexure I" to the Board's Report. The statement also provides the details of performance, financial positions of each of the subsidiaries. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of each of its subsidiaries will be available for inspection during business hours at the registered office of the Company.

6.3 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 become or ceased as a subsidiary, associates and joint ventures, during the year under review.

7. CHANGE IN NATURE OF BUSINESS :

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

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

There are no material changes and commitments, if any affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

9. 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 the Company and its future operations.

10. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS :

The 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. The 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.

11. DEPOSITS :

During the year under review, your Company has not accepted any deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, no amounts were outstanding which were classified as 'Deposits' under the applicable provisions of Companies Act, 2013 as on the date of Balance Sheet.

12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 :

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 Companies Act, 2013 forms part of financial statements.

13. 13.1 PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES :

All the transactions/ contracts/ arrangements entered by the Company during the year under review with related party (/ies) are in the ordinary course of business and on arms' length basis. As the transactions entered with related party (/ies) do not fall under Section 188(1) of the Companies Act, 2013. Hence disclosure in Form AOC-2 is not required to be furnished. Related Party transaction policy is posted on the website of the company and is available at www.systematixgroup.in

13.2 MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS DURING THE PERIOD UNDER REVIEW :

The Company had not entered into any material transaction with any of its related parties. None of the transactions with any of related parties were in conflict with the Company's interest. All related party transactions are in the ordinary course of business and on arms' length basis. Hence Form AOC-2 is not required to be furnished. Transactions with related party are disclosed in Note 37 in 'Notes forming a part of financial statement' annexed to the financial statements for the year.

The company has formulated a policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions and the same is placed on website.

14. AUDITORS AND THEIR REPORTS :

The matters related to Auditors and their Reports are as under:

14.1 STATUTORY AUDITORS :

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/s. S Jawahar & Associates, Chartered Accountants (Firm Registration No. 006232S), the Statutory Auditors of the Company, has been appointed as

Statutory Auditors by the members in their Annual General Meeting held on 29th September, 2017 to hold office from the conclusion of that Meeting till the conclusion of Annual General Meeting to be held in the year 2022, subject to the ratification by the members in every Annual General Meeting and the same be recommended to the members in the upcoming AGM for their approval. The Company has received a certificate from the said Auditors that they are eligible to hold office as the Auditors of the Company for the remaining period and are not disqualified.

14.2 OBSERVATIONS OF STATUTORY AUDITORS ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2021 :

M/s. S Jawahar & Associates, Statutory Auditor of the Company has audited books of account of the Company for the financial year ended 31st March, 2021 and have issued the Auditors' Report thereon. The auditor's report does not contain any qualification, reservation or adverse remark or Disclaimer.

14.3 SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH, 2021 :

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the report in respect of the Secretarial Audit carried out by M/s. Kothari H. & Associates, Company Secretaries in Form MR-3 for the FY 2020-21 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 31ST MARCH, 2021

For the financial year 2020-2021, Systematix Shares and Stocks (India) Limited, Systematix Fincorp India Limited and Systematix Finvest Private Limited are the material unlisted subsidiary. As per Regulation 24A of SEBI (LODR), the Secretarial Audit of the material subsidiaries mentioned above has been conducted for the financial year 2020-21 by M/s. Kothari H. & Associates, Practicing Company Secretaries. None of the said Audit Reports contain any qualification, reservation or adverse remark or disclaimer. The Secretarial Audit Reports of material subsidiaries for the financial year ended 31st March, 2021, are annexed herewith and marked as '**Annexure II (a), (b) and (c)**' to this Report

15. SHARE CAPITAL :

During the year under review, there is no change in equity share capital of the company.

The Company has not issued any equity shares with differential rights / sweat equity shares/ employee stock options or not made any provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2020-21.

The Company has not made any purchase or provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2020-21.

16. OTHER DISCLOSURES :

Other disclosures as per provisions of Section 134 of the Act read with Companies (Accounts) Rules, 2014 are furnished as under:

16.1 EXTRACT OF ANNUAL RETURN :

The Annual Return in Form MGT-7 for the financial year ended, 31st March, 2021, is available on

the website of the Company at www.systematixgroup.in.

16.2 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.

The Company has maintained a technology friendly environment for its employees to work in. Your Company uses latest technology and equipments. However since the 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 Companies Act, 2013 read with rule 8(2) of the Companies (Accounts) Rules, 2014, are provided as follows:

(In ₹)

a.	Total foreign exchange earned	5,26,07,378
b.	Total foreign exchange outgo	-

17. MATTERS RELATED TO DIRECTORS AND KEY MANAGERIAL PERSONNEL :

A) CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL :

In accordance with the provisions of the Companies Act, 2013 and in terms of the Articles of Association of the Company, Mr. Chandra Prakash Khandelwal who is liable to retire by rotation and is eligible for re-appointment has offered himself for re- appointment. The Board recommends his re-appointment for the consideration of the Members of the Company at the forthcoming Annual General Meeting.

Mr. Nikhil Khandelwal to be re-appointed as Managing Director for a term of 5 (five) years with effect from 1st September, 2021 to 31st August, 2026.

During the financial year ended 31st March, 2021, Mrs. Shweta Sharma was appointed as a Company Secretary and Compliance Officer with effect from 5th September, 2020 and Mrs. Vrunda Dhanesha resigned from the position of Company Secretary and Compliance Officer with effect from 4th September, 2020.

Further, in the current financial year there is an appointment of Mrs. Spruha Deshpande as a Company Secretary and Compliance Officer with effect from 1st September, 2021 and resignation of Mrs. Shweta Sharma with effect from closing hours of 31st August, 2021.

B) DECLARATION BY AN INDEPENDENT DIRECTOR(S) :

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfill the criteria of independence as specified in Section 149(6) of the Companies Act, 2013.

C) FORMAL ANNUAL EVALUATION OF DIRECTORS, COMMITTEES & BOARD :

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit and Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

D) FAMILIARIZATION PROGRAMME FOR THE INDEPENDENT DIRECTORS :

In compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a Familiarization Programme for Independent Directors to familiarize them with the working of the Company, their roles, rights and responsibilities vis-à-vis the Company, the industry in which the Company operates business model etc. Details of the Familiarization Programme are explained in the Corporate Governance Report and are also available on the Company's website at www.systematixgroup.in

18. DISCLOSURES RELATED TO BOARD AND COMMITTEE :**18.1 BOARD MEETINGS :**

The Board of Directors met 5 times during the financial year ended 31st March, 2021 in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Kindly refer section on Corporate Governance, under the head "BOARD OF DIRECTORS (BOARD)."

18.2 AUDIT COMMITTEE :

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. Kindly refer section on Corporate Governance, under the head, 'AUDIT COMMITTEE' for matters relating to constitution, meetings, functions & responsibilities of the Committee.

18.3 DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM FOR DIRECTORS AND EMPLOYEES :

In compliance with the provisions of Section 177(9), the Board of Directors of the Company has framed the "Whistle Blower Policy" as the vigil mechanism for Directors and employees of the Company. The Whistle Blower Policy is disclosed on the website of the Company at www.systematixgroup.in

18.4 NOMINATION AND REMUNERATION COMMITTEE :

A Nomination and Remuneration Committee is in existence in accordance with the provisions of sub section (3) of Section 178. Kindly refer section on Corporate Governance, under the head, 'NOMINATION AND REMUNERATION COMMITTEE' for matters relating to constitution, meetings, functions of the Committee and the Nomination and remuneration policy formulated by this Committee. The Company's Nomination and Remuneration Policy framed under Section 178(3) of the Companies Act, 2013 and Chapter IV of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 is attached as "Annexure III" to this report.

18.5 PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE :

The 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 under 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 the Company has duly constituted Internal Complaints Committee as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

18.6 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.

19. MANAGERIAL REMUNERATION :

The information required under Section 197 (12) of the Act, read with Rules 5(1), 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as 'Annexure – IV' to this report.

20. CORPORATE GOVERNANCE CERTIFICATE :

The Compliance certificate from M/s. S. Jawahar & Associates., Chartered Accountants Chennai (Firm Registration No. 001931S) regarding compliance of corporate governance as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, is annexed with Corporate Governance Report which forms part of the Annual Report.

21. CORPORATE SOCIAL RESPONSIBILITY :

The provisions of section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the Company.

22. INTERNAL CONTROLS OVER FINANCIAL REPORTING (ICFR) :

The 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. The 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.

23. INDIAN ACCOUNTING STANDARDS (IND AS) – IFRS CONVERGED STANDARDS :

Pursuant to the notification issued by the Ministry of Corporate Affairs dated 16th February, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015. Our Company, being a SEBI registered 'Category I' Merchant Banker having net worth of rupees less than five hundred Crore, has adopted "Ind AS" with effect from 1st April, 2019.

These financial statements, for the year ended 31st March, 2020 are the first financial statements,

the Company has prepared in accordance with Ind AS. For the periods upto and including year ended 31st March, 2019, the Company had prepared its financial statements in accordance with Accounting Standards notified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounting Standards) Rules, 2014 ("Previous GAAP" or "Indian GAAP").

The company has prepared financial statements which comply with Ind AS applicable for period ending on 31st March, 2020 together with the comparative period data as at and for the year ended 31st March, 2019.

24. DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed;

- a) That in the preparation of the annual financial statements for year ended 31st March, 2021, 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 the company as at 31st March, 2021 and of the profit of the 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 Companies Act, 2013 for safeguarding the assets of the 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;
- f) That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and were operating effectively.

25. ACKNOWLEDGEMENTS :

Your Directors gratefully acknowledge the excellent support received from all stakeholders of the 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 the Company for their unstinted commitment and continued contribution to the Company.

For and on behalf of the Board of Directors

Sd/-

Chandra Prakash Khandelwal
Chairman & Managing Director

DIN: 00016373

Date: 12.08.2021

Place: Mumbai

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.
Name of the subsidiary	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
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.	N.A.	N.A.	
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.	N.A.	
Share Capital	416.35	167.58	187.82	80.00	30.00	11.00
Reserves & surplus	4036.56	2164.62	1163.73	144.59	(17.26)	(4.59)
Total assets	11321.81	2498.37	2384.58	258.52	13.28	7.00
Total Liabilities	11321.81	2498.37	2384.58	258.52	13.28	7.00
Investments	85.03	180.24	-	-	11.03	1.00
Turnover	3992.85	219.83	421.78	9.61	0.40	0.00
Profit before taxation	259.65	(232.43)	5.46	(24.65)	(0.51)	(4.59)
Provision for taxation	(9.32)	(2.97)	2.90	(4.64)	0.10	0.00
Profit after taxation	268.97	(229.47)	8.36	(20.01)	(0.61)	(4.59)
Proposed Dividend	-	-	-	-	-	-
% of shareholding	100%	100%	100%	100%	100%	51%

Notes :

The following information shall be furnished at the end of the statement:

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

For and on behalf of the Board of Directors

Sd/-

Chandra Prakash Khandelwal
Chairman & Managing Director
DIN: 00016373

Sd/-

Anil Bhagchandani
Chief Financial Officer

Sd/-

Shweta Sharma
Company Secretary

Date: 12.08.2021

Place: Mumbai

Annexure-II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

[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] and [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 Corporate Services 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, 2021 ('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:

1. 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, 2021 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 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 and amendment made thereunder;
 - 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and the SEBI (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the company during the Audit Period)
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (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, 2009; (Not applicable to the company during the Audit Period) and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (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.
2. 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.

(1) Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992

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

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

Hitesh Kothari

Membership No. 6038

Certificate of Practice No.5502

Place: Mumbai

Date: 12.08.2021

UDIN: F006038C000772133

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 Services 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

Hitesh Kothari
Membership No. 6038
Certificate of Practice No. 5502

Annexure-II (a)

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021

[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, 2021 ('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:

1. 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, 2021 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)**
- 2. 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.
 - a. SEBI (Stock Brokers and Sub-brokers) Regulations, 1992
 - b. SEBI (Portfolio Managers) Regulations, 1993 and SEBI (Portfolio Managers) Regulations, 2020
 - c. SEBI (Depositories and Participants) Regulations, 2018
 - d. SEBI (Research Analysts) Regulations, 2014
 - e. SEBI (Investment Advisers) Regulations, 2013
 - f. The Prevention of Money-Laundering Act, 2002
 - g. SEBI/exchange regulations/directives to govern Company's regulatory licences. -

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. There were no changes in the composition of the Board of Directors during the period under review.

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. 593/2019)

Hitesh Kothari

Membership No. 6038

Certificate of Practice No. 5502

Place: Mumbai

Date : 12.08.2021

UDIN : F006038C000772144

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

Hitesh Kothari

Membership No. 6038

Certificate of Practice No. 5502

Annexure-II (b)

FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2021

[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, 2021 ('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:

1. 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, 2021 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 extent applicable)**

2. 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.

1. RBI Act, 1934
2. 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. There were no changes in the composition of the Board of Directors during the period under review.

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. 593/2019)

Hitesh Kothari

Membership No. 6038

Certificate of Practice No. 5502

Place: Mumbai

Date: 12.08.2021

UDIN : F006038C000774982

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

Hitesh Kothari
Membership No. 6038
Certificate of Practice No. 5502

Annexure - II (c)
FORM MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2021

[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, 2021 ('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:

1. 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, 2021 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)**
2. 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.
 1. RBI Act, 1934
 2. 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. There were no changes in the composition of the Board of Directors during the period under review.

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. 593/2019)

Hitesh Kothari

Membership No. 6038

Certificate of Practice No. 5502

Place: Mumbai

Date: 12.08.2021

UDIN : F006038C000774938

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

Itesh Kothari

Membership No. 6038

Certificate of Practice No. 5502

Annexure-III**NOMINATION AND REMUNERATION POLICY (u/s 178)****Introduction :**

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, 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 listing regulations as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel and other employees has been formulated by the Committee and approved by the Board of Directors.

The objective and purpose of this policy are :

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the finance industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and others Personnel.
- To provide them 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.

Note: The Nomination & Remuneration Policy is displayed on the website of the Company at www.systematixgroup.in

Annexure-IV

A. 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 2020-21, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-2021 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under :

Sr. No.	Name of Director/ KMP and Designation	Remuneration of Director/ KMP for financial year 2020-2021 (₹ in Lakh)	% increase in Remuneration in the Financial Year 2020-2021	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Chandra Prakash Khandelwal, Chairman & Managing Director	18	NIL	1.03
2	Mr. Nikhil Khandelwal, Managing Director	20	NIL	1.14
3	Mr. Anil Bhagchandani, CFO	16.62	15.74%	N.A.
4	* Mrs. Vrunda Dhanesha, CS	2.64	NIL	N.A.
5	* Mrs. Shweta Sharma	7.79	NIL	N.A.

* Details not given as Mrs. Vrunda Dhanesha and Mrs. Shweta Sharma were Company Secretary only for the part of financial year 2020-21.

Note : No Director other than Managing Director received any remuneration other than sitting fees for the financial year 2020-21.

- (ii) The median remuneration of employees of the company during the financial year was ₹ 17.50 Lakh.
- (iii) In the financial year 2020-21, there was an increase of 18.64% in the median remuneration of employees.
- (iv) There were 15 permanent employees on the roll of the Company as on March 31, 2021.
- (v) The average percentage increase in managerial remuneration was NIL.
- (vi) affirmation that the remuneration is as per the remuneration policy of the company:

It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.

B. DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) & 5(3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 :

Employee Name	Navin Roy Vallabhaneni
Designation	President & Head – Institutional Equities & Equity Capital Market.
Remuneration received	₹1,66,28,016/-
Nature of employment, whether contractual or otherwise	Contractual
Qualifications	MBA in Finance
Experience	21 years
Date of joining	05-June-2018
Previous employment	Macquarie Group
Percentage of equity shares held in the company	Nil
Whether relative of any director or manager of the company and if so, name of such director or manager	No

CORPORATE GOVERNANCE REPORT

The Directors present the Corporate Governance report of the company for the year ended 31st March, 2021.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

Corporate Governance broadly refers to a set of rules and practices designed to govern the behavior of corporate enterprises. The Company's philosophy on Corporate Governance envisages integrity, accountability, responsibility and transparency in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, lenders, government, suppliers, clients etc. and accordingly lays great emphasis on regulatory compliances. The Company firmly believes that Corporate Governance is a powerful tool to sub serve the long term growth of the 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and the listing agreement entered by the Company with BSE.

Governance Structure :

Systematix Corporate Services Limited, the 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.

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

The Corporate Governance philosophy of the 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) :

(a) Composition :

The Company has an optimum combination of Executive, Non-Executive and Independent Directors, in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, to maintain the independence of the Board and to separate the Board functions of governance and management.

As on 31st March, 2021, the Board consists of 6 (Six) Directors, 3 (Three) of whom are Non-Executive Independent Directors. All members of the Board are persons with considerable experience and expertise in the Industry.

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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015), across all the companies in which he/she is a Director.

The necessary disclosures regarding committee positions have been made by all the Directors.

The Composition and the category of Directors on the Board of the Company as at 31st March, 2021 were as under

Category	Name of Directors
Executive Chairman and Managing Director	Mr. Chandra Prakash Khandelwal
Executive Managing Director	Mr. Nikhil Khandelwal
Non- Executive Director	Mrs. Anju Khandelwal
Independent Non - Executive Directors	Mr. Shriram Surajmal Khandelwal Mr. Sanjay Khandelwal Mr. Rakesh Mehta

(b) Number of Board Meetings :

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 the Company.

Board Meeting held during the year.

Board Meetings held during the Year	Total Strength of the Board	No. of Directors Present
26 th June, 2020	6	6
28 th August, 2020	6	6
10 th November, 2020	6	6
15 th January, 2021	6	4
11 th February, 2021	6	6

(c) Changes in Board Composition :

During the financial year ended 31st March, 2021, Mrs. Shweta Sharma was appointed as a Company Secretary and Compliance Officer with effect from 5th September, 2020 and Mrs. Vrunda Dhanesha resigned from the position of Company Secretary and Compliance Officer W.e.f. 4th September, 2020.

Further, in the current financial year there is an appointment of Mrs. Spruha Deshpande as a Company Secretary and Compliance Officer with effect from 1st September, 2021 and resignation of Mrs. Shweta Sharma with effect from closing hours of 31st August, 2021.

(d) Director's Attendance Record and Directorships :

Details of Directors attended the Board Meetings during financial year 2020-21 along with their directorships in other Companies are as follows:

Name of Director	Category of Directorship	No. of Board meetings attended	Attended the last AGM	Number of directorships in other Companies	Name of the other Listed Entity in which Directorship held and Category of Director	No. of Committee positions held in other Public Limited Companies	
						Chairman	Member
Mr. Chandra Prakash Khandelwal	Executive Chairman and Managing Director	5	Yes	18	Nil	2	0
Mrs. Anju Khandelwal	Non-Executive Director	4	Yes	15	Nil	0	0
Mr. Nikhil Khandelwal	Executive Managing Director	5	Yes	16	Nil	0	0
Mr. Shriram Surajmal Khandelwal	Non-Executive Independent Director	5	Yes	5	Nil	0	0
Mr. Sanjay Khandelwal	Non-Executive Independent Director	4	Yes	4	Nil	0	2
Mr. Rakesh Mehta	Non-Executive Independent Director	5	Yes	4	Nil	0	0

The number of directorships and the positions held on 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 Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on 31st March, 2021.

Certificates have also been obtained from Independent Directors confirming their position as Independent Directors on the Board of the Company in accordance with Section 149 of the Companies Act, 2013, read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(e) Independent Directors:

All the Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 and the Rules made thereunder and meet the requirement of Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Independent Directors held a separate meeting in compliance with the requirements of Schedule IV of the Companies Act, 2013 and Clause 25 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

With respect to Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Director confirms that Independent Director fulfills the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 and independent of the management.

The terms and conditions of their appointment and the familiarization programme for Independent Directors are disclosed on the Company's website at www.systematixgroup.in

(f) Familiarization Programme for Independent Directors :

The Board members are provided with the Memorandum and Articles of Association, Annual Reports, policies adopted and displayed at the website of the Company along with Code of Conduct.

Independent Directors have the freedom to interact with the Company's management. They are given all the documents sought by them for enabling a good understanding of the Company, its various operations and the industry segments of which it is a part.

The Company has periodically conducted the familiarization programmes for all its directors including independent Directors and the same is being displayed on the website of the company at www.systematixgroup.in

(g) Board Diversity :

Your Company has over the years been fortunate to have eminent persons from diverse fields as Directors on its Board. Pursuant to SEBI 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 posted on the Company's website of the Company i.e. www.systematixgroup.in

(h) Code of Conduct :

The Company has adopted Code of Conduct for Directors and Members of Senior Management of the Company which is applicable to the Board of Directors and Senior Management Personnel as defined in the Code. The Code requires Directors and Employees to act honestly, fairly, ethically and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the website of the Company at www.systematixgroup.in

All Board members and senior management have confirmed compliance with the Code for the year ended 31st March, 2021.

Code of Conduct for Insider Trading :

The Company has adopted a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.

The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations. The Code is displayed on the website of the Company at www.systematixgroup.in

(i) Remuneration of Directors :

All Executive Director(s) receive salary, allowances and perquisites while Non-executive Director and Non-Executive Independent Directors receive sitting fees for attending Board and Committee meetings. Payment of remuneration to the Executive Director is governed by a resolution approved by the shareholders of the Company.

The Remuneration (including perquisites and benefits) paid to the Executive & sitting fees paid to Non – Executive Director during the period ended 31st March, 2021, is as follows:

Name of Directors	Sitting Fees (in ₹)	Salaries & Perquisites (in ₹)	Total (in ₹)
Mr. Chandra Prakash Khandelwal	-	18.00	18.00
Mr. Nikhil Khandelwal	-	20.00	20.00
Mrs. Anju Khandelwal	1.20	-	1.20
Mr. Shriram Surajmal Khandelwal	1.55	-	1.55
Mr. Sanjay Khandelwal	1.45	-	1.45
Mr. Rakesh Mehta	1.75	-	1.75

(j) Relationships, if any, between Directors inter-se :

Mr. Nikhil Khandelwal is a son of Mrs. Anju Khandelwal and Mr. Chandra Prakash Khandelwal, Directors of the Company.

(k) Number of Shares and convertible securities held by non-executive Directors :

Mrs. Anju Khandelwal, Non-Executive Non-independent Director of the Company is holding 50,803 equity shares of the company amounting to 0.39%.

(l) Matrix setting out the core skills/ expertise/ competencies of the Board of Director :

As stipulated under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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. Chandra Prakash Khandelwal, Mr. Nikhil Khandelwal
2	Business Leadership	Mr. Chandra Prakash Khandelwal, Mr. Nikhil Khandelwal
3	Operational matters	Mr. Chandra Prakash Khandelwal, Mr. Nikhil Khandelwal
4	Research and Development	Mr. Nikhil Khandelwal, Mrs. Anju Khandelwal
5	Finance and Taxation	Mr. Shriram Surajmal Khandelwal, Mr. Rakesh Mehta and Mr. Sanjay Khandelwal
6	Financial Services	Mr. Chandra Prakash Khandelwal, Mr. Nikhil Khandelwal
7	Law	Mr. Shriram Surajmal Khandelwal, Mr. Sanjay Khandelwal
8	Corporate Governance and Ethics	Mrs. Anju Khandelwal, Mr. Sanjay Khandelwal, Mr. Rakesh Mehta

(m) Certificate from Practising Company Secretary :

The Company has received a certificate from M/s. Kothari H. & Associates, Company Secretaries to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company during the financial year ended 31st March, 2021 by the Ministry of Corporate Affairs or any other statutory authority and the same is attached as "Annexure I" which forms part of this report.

3. BOARD COMMITTEES :

In compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the applicable laws, the Board constituted the following committees:

(a) Audit Committee. (b) Stakeholders Relationship Committee. (c) Nomination & Remuneration Committee.

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

(a) Audit Committee :

The Audit Committee comprises of three (3) Directors Comprising of all Non-Executive Independent Directors as members.

All the members are financially literate and have accounting / related financial management expertise.

The Audit Committee functions according to the roles and responsibilities as mentioned under Companies Act, 2013 and as the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that defines its composition, authority, responsibilities and reporting functions. The terms of reference of the Audit Committee, inter alia, includes the following function:

Overseeing the 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 Companies Act, 2013;
 - 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 or rights issue, 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 the listed entity with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the listed entity, 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;
- Carrying out other functions as may be specifically referred to the Committee by the Board of Directors;
- To review the following:
 - Management discussion and analysis of financial condition and results of operations;
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - 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).
 - (c) 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 existing as on the date of coming into force of this provision.

The Audit Committee also advises the Management on the areas where internal control system can be improved.

Meetings of the Audit Committee :

4 (four) meetings of the Audit Committee were held during the Financial year, i.e. on 26th June, 2020, 28th August, 2020, 10th November, 2020 and 11th February, 2021. 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 Committee Members	Category	No. of Committee Meetings attended
1	Mr. Shriram Surajmal Khandelwal	Non- Executive Independent Director	4
2	Mr. Sanjay Khandelwal	Non- Executive Independent Director	4
3	Mr. Rakesh Mehta	Non- Executive Independent Director	4

Note : Mr. Shriram Surajmal Khandelwal, Chairman of the Audit Committee, was present at the previous Annual General Meeting held on 28th September, 2020.

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. The Company Secretary acts as the secretary to the Committee.

Statutory Auditors :

The details of total fees for all services paid by the company to M/s. S. Jawahar & Associates, Statutory Auditor of the Company are as follows:

Type of Service	Amount in ₹
Statutory Audit	1,50,000/-

(b) Stakeholders Relationship Committee:

The Stakeholders Relationship Committee (SRC) comprises of three (3) Directors Comprising of one (1) Non-Executive Non-Independent Director and Two (2) Non-Executive Independent Director. The SRC's composition and terms of reference meet with the requirements of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of the Companies Act, 2013.

Terms of reference :

The terms of reference / powers of the Stakeholders Relationship Committee are as under:

- 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 the Company;
- To monitor the implementation and compliance with the 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 the listed entity 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 the company.

Meetings of the Stakeholders Relationship Committee :

4 (four) meetings of the Stakeholders Relationship Committee were held during the year, i.e. on 26th June, 2020 28th August, 2020, 10th November, 2020 and 11th February, 2021. 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 Committee Members	Category	No. of Committee Meetings attended
1	Mrs. Anju Khandelwal	Non- Executive Independent Director	4
2	Mr. Sanjay Khandelwal	Non- Executive Independent Director	4
3	Mr. Rakesh Mehta	Non- Executive Independent Director	4

Note : Mrs. Anju Khandelwal, Chairperson of the Stakeholders Relationship Committee, was present at the previous Annual General Meeting held on 28th September, 2020.

During the financial year ended 31st March, 2021 Company had not received any complaint from shareholder. There were no pending letters/ complaints. The status of Shareholders' complaints received upto 31st March, 2021 is as stated below:

No. of Complaints received during the period ended 31 st March, 2021	Nil
No. of Complaints resolved as on 31 st March, 2021	Nil
No of Complaints pending as on 31 st March, 2021	Nil
No. of Pending share transfers as on 31 st March, 2021	Nil

Name, Designation and Address of the Compliance Officer :

Mrs. Shweta Sharma

Company Secretary & Compliance Officer

Systematix Corporate Services Limited

"The Capital", 'A' Wing, 6th Floor, No. 603-606,

Plot No. C-70, 'G' Block, Bandra-Kurla Complex,

Bandra (East), Mumbai – 400 051

Tel No.: +91-22-66198000/ 4035 8000; Fax No.: +91-22-66198029/ 4035 8029

E-mail: secretarial@systematixgroup.in

Web: www.systematixgroup.in

(c) Nomination & Remuneration Committee :

Nomination and Remuneration Committee comprises of Three (3) Non-Executive Independent Directors as members.

The Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The roles and responsibilities of the Nomination and Remuneration Committee, inter alia, includes the following function:

- 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.
- 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 Independent Directors, the Board and every director's performance.
- Evaluation of the performance of every director 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 on remuneration to be paid to senior management.

2 (Two) meeting of the Nomination and Remuneration Committee was held during the year, i.e. on 28th August, 2020 and 15th January, 2021. Necessary quorum was present at the meeting.

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

Sr. No.	Name of Committee Members	Category	No. of Committee Meetings attended
1	Mr. Shriram Surajmal Khandelwal	Non-Executive Independent Director	2
2	Mr. Sanjay Khandelwal	Non- Executive Independent Director	1
3	Mr. Rakesh Mehta	Non- Executive Independent Director	2

Remuneration policy :

The Committee has formulated a policy on Nomination and Remuneration of Director, Key Managerial Personnel and Senior Management which is attached as Annexure IV to the Directors Report and

has been published on the website of the Company at www.systematixgroup.in

Remuneration to non-executive directors :

The Non-Executive Directors are paid remuneration by way of sitting fees of ₹ 25,000/- for each meeting attended by them. The Non-Executive Independent Directors do not have any material pecuniary relationship or transaction with the Company. There is no fixed component and performance linked incentives to any of Directors and the Company has not entered into service contracts.

The remuneration of the Managing Director and Executive Directors are decided by the Nomination and Remuneration Committee based on the Company's performance vis-à-vis the industry performance/ track record of the Managing Director and Executive Directors and same is reported to the Board of Directors. The Company pays remuneration by way of salary to its Managing Director. Increment(s) are decided by the Nomination and Remuneration Committee within the overall limits approved by the Members.

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.

Declaration

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 31st March, 2021.

Chandra Prakash Khandelwal

Chairman & Managing Director

DIN: 00016373

Mumbai

August 12, 2021

4. DISCLOSURES :

4.1 Related Party Transaction :

The Register of Contracts containing the transactions in which Directors are interested is placed before the Board regularly for its approval. There are no materially significant related party transactions which have potential conflict with the interest of the Company at large. Declarations have been received from the senior management personnel to this effect.

The Policy for Related Party Transactions is displayed on the website of the Company at <https://www.systematixgroup.in/InvestorRelations/InvestorRelations.aspx>

4.2 Statutory Compliance, Penalties and Strictures :

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets, during the last three years.

4.3 Whistle Blower Policy :

The Whistle Blower Policy encourages Directors and employees to bring to the Company's attention, instances of unethical behavior, actual or suspected incidents of fraud or violation of the Code of Conduct that could adversely impact the Company's operations, business performance and / or reputation. The Company investigates such incidents, when reported, in an impartial manner and takes appropriate action to ensure that the requisite standards of professional and ethical conduct are always upheld. It is the Company's Policy to ensure that no employee is victimized or harassed for bringing such incidents to the attention of the Company. The practice of the Whistle Blower Policy is overseen by the Audit Committee of the Board.

4.4 CEO / CFO Certification :

The Chairman and Managing Director and Chief Financial Officer of the Company gives annual certification on financial reporting and internal controls to the Board in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chairman and Managing Director and Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is attached as "Annexure II" which forms part of this report.

4.5 Details of Material Subsidiary :

The Policy for Determining 'Material' Subsidiaries is displayed on the website of the Company at <https://www.systematixgroup.in/InvestorRelations/InvestorRelations.aspx>

4.6 Disclosure under Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has a Policy on Prevention of Sexual Harassment of Women at Workplace. During the year under review, the Company has not received any complaints on sexual harassment.

5. INSIDER TRADING POLICY :

The Company has implemented an Insider Trading Policy to comply with the relevant Insider Trading Regulations. In accordance with the policy, the Company has well explained the applicability of the code and important concepts.

An insider shall formulate a trading plan for dealing in securities of the Company and present it to the Compliance Officer for approval and trades may be carried out in accordance with such plan.

The Company is strictly monitoring its Insider Trading Policy.

6. COMPLIANCE WITH OTHER MANDATORY REQUIREMENTS :**6.1 Management Discussion and Analysis Report :**

A Management Discussion and Analysis Report forms part of the Annual Report and includes discussions on various matters specified under Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. COMPLIANCE WITH NON-MANDATORY REQUIREMENTS :

7.1 Means of Communication :

Quarterly results:

The quarterly financial results of the Company are published in the newspapers, namely Free Press Journal and Choutha Sansar. At the same time, the results are also displayed on the website of the Company at www.systematixgroup.in

The Company has created an exclusive e-mail id secretarial@systematixgroup.in for the investors. The investors can directly send their grievances to the Compliance Officer.

Website :

The Company's website www.systematixgroup.in contains dedicated section INVESTOR RELATIONS where shareholders' information is available. The Annual Report of the Company is also available on the website in a user friendly and downloadable form.

Annual Report :

Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report and Auditor's Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MDA) Report forms part of the Annual Report.

The Annual Report is displayed on the Company's website www.systematixgroup.in

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES) :

The investor complaints are processed in a centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated exclusive email-id :

The Company has designated the following email-ids exclusively for investor servicing.

- For queries on Annual Report – secretarial@systematixgroup.in
- For queries in respect of equity shares of the Company: secretarial@systematixgroup.in

7.2 Auditor's Certificate on Corporate Governance :

In terms of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Statutory Auditors' Certificate that the Company has complied with the conditions of Corporate Governance is attached as "Annexure III" which forms part of this report.

7.3 Review of Governance practices :

We have in this report attempted to present the governance practices and principles being

followed at Systematix Corporate Services Limited as evolved over the years, and as best suited to the needs of our business and stakeholders.

Our disclosures and governance practices are continually revisited, reviewed and revised to respond to the dynamic needs of our business and ensure that our standards are at par with the globally recognized practices of governance so as to meet the expectations of our stakeholders.

8. DETAILS ON GENERAL BODY MEETINGS :

8.1 Date, Time and Venue for the last three Annual General Meetings held :

Financial years	Dates	Time	Venue
2019-2020	28.09.2020	11.00 A.M.	Meeting conducted through Video Conferencing ("VC") / Other Audio Visual Means.
2018-2019	27.09.2019	11.00 A.M.	206-207, Banshi Trade Centre, 581/5, M. G. Road, Indore – 452001, Madhya Pradesh.
2017-2018	28.09.2018	11.00 A.M.	206-207, Banshi Trade Centre, 581/5, M. G. Road, Indore – 452001, Madhya Pradesh.

Details of the Special Resolutions passed in the previous three AGM:

(a) At the AGM held on 28th September, 2020: Nil

(b) At the AGM held on 27th September, 2019 :

The following special resolution(s) was passed in the previous annual general meeting:

i. Re-appointment of Mr. Sanjay Khandelwal (DIN: 01592134) as an Independent Director of the Company for second term of five consecutive years.

(c) At the AGM held on 28th September, 2018 :

The following special resolution(s) were passed in the previous annual general meetings :

i. Re-appointment of Mr. Shriram Surajmal Khandelwal (DIN: 06729564) as an Independent Director of the Company for second term of five consecutive years.

ii. Approve the limits for the loans & investment by the company in terms of provisions of section 186 of Companies Act, 2013.

9. GENERAL SHAREHOLDERS INFORMATION :

Company Registration Details :

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

Annual General Meeting Day, Date, Time & venue	Tuesday, 28.09.2021 at 11.00 a.m. through Video Conferencing (VC)/ Other Audio Video Means (OAVM)
Financial year	1st April to 31st March
Book Closure Date	Tuesday, 21.09.2021 to Tuesday, 28.09.2021 (both days inclusive) for the purpose of Annual General Meeting.
Dividend Payment Date	NA
Listed on Stock Exchanges	BSE Limited (BSE) P.J. Tower, Dalal Street, Fort, Mumbai – 400 001.

Stock Code / Symbol	BSE: 526506 / SYSTMTC
Payment of Listing Fee	The annual Listing Fees for the year 2020-2021 has been paid to the concerned Stock Exchanges.
In case securities are suspended from trading, the directors report shall explain the reason thereof	NA

Financial Calendar 2021-22 (Tentative) :

Financial Reporting for the quarter ending June 30, 2021	2 nd Week of August, 2021
Financial Reporting for the quarter ending September 30, 2021	2 nd Week of November, 2021
Financial Reporting for the quarter ending December 31, 2021	2 nd Week of February, 2022
Financial Reporting for the quarter ending March 31, 2022	4 th Week of May, 2022

Share Transfer Agents and Share Transfer System:

Systematix Corporate Services Limited has appointed **Cameo Corporate Services Limited** as Registrars and Transfer Agents (RTA) to handle the physical Share Transfer related work and for Electronic connectivity as per the directives of SEBI. The Company's equity shares are traded on the BSE Ltd compulsorily in Demat mode. The Stakeholders Relationship Committee meets periodically for dealing with matters concerning securities of the Company.

For transfer of shares in physical form, the Company has introduced transfer cum Demat facility to avoid unnecessary mailing of Certificates. Certificates duly transferred are returned to those, who opt to receive certificates in physical form.

There are no legal proceedings against the Company on any share transfer matter.

Stock Market Price Data:

Month	Company's Share price on BSE			BSE Sensex	
	High Price	Low Price	Volume	High	Low
April 2020	42.00	37.10	10,417	33,887.25	27,500.79
May 2020	35.30	34.00	27,065	32,845.48	29,968.45
June 2020	41.00	33.00	48,897	35,706.55	32,348.10
July 2020	40.75	36.20	3,64,066	38,617.03	34,927.20
August 2020	38.55	35.00	39,453	40,010.17	36,911.23
September 2020	36.95	36.95	3767	39,359.51	36,495.98
October 2020	39.70	34.20	49,012	41,048.05	38,410.20
November 2020	43.70	31.40	9,30,664	44,825.37	39,334.92
December 2020	85.30	40.00	1,03,01,357	47,896.97	44,118.10
January 2021	121.10	86.50	41,41,205	50,184.01	46,160.46
February 2021	158.65	121.00	98,25,063	52,516.76	46,433.65
March 2021	156.00	144.70	82,08,863	51,821.84	48,236.35

Distribution of Shareholding as on 31st March, 2021:

Shareholding of Nominal Value (₹)	No. of shareholders	% of Total	Share Amount (in ₹)	% of Total
10- 5,000	1,558	81.5675	2792910	2.1516

5,001 – 10,000	167	8.5405	1285580	0.9904
10,001 – 20,000	77	3.8378	1104250	0.8507
20,001 – 30,000	43	1.8918	921450	0.7098
30,001 – 40,000	24	1.2972	881510	0.6791
40,001 – 50,000	14	0.5405	460220	0.3545
50,001 – 1,00,000	25	1.0810	1305350	1.0056
1,00,001 & Above	20	1.2432	121051310	93.2580
Total	1928	100.00	12,98,02,580	100.00

Shareholding Pattern :

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

a. Pattern of shareholding as on 31st March, 2021:

	Category	No. of Shares held	% of Shareholding
A.	Promoters		
(1)	Indian		
a)	Individual / HUF	7,49,556	5.77
b)	Central Govt.	-	-
c)	State Govt.(s)	-	-
d)	Banks / FI	-	-
e)	Any Other		
	Bodies Corporate	88,58,862	68.25
	Sub-Total (A)(1):	96,08,418	74.02
(2)	Foreign		
a)	Individuals (NRI/ Foreign Individuals)	-	-
b)	Government	-	-
c)	Institutions	-	-
d)	Foreign Portfolio Investor	-	-
e)	Any Other	-	-
	Sub-Total (A)(2):	-	-
	Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	96,08,418	74.02
B.	Public Shareholding		
(1)	Institutions		
a)	Mutual Funds / UTI	-	-
b)	Venture Capital Funds	-	-
c)	Alternate Investment Funds	-	-
d)	Foreign Venture Capital Investors	-	-
e)	Foreign Portfolio Investors	-	-
f)	Banks / FI	-	-
g)	Insurance Companies	-	-
h)	Provident Funds/ Pension Funds	-	-
i)	Others (specify)	-	-
	Sub-Total (B)(1):	-	-
(2)	Central Government/ State Government(s)/ President of India	-	-
	Sub-Total (B)(2):	-	-
(3)	Non-Institutions		

a) Individuals		8,41,475	6.48
i) Individual Shareholders holding nominal share capital upto ₹ 2 Lakh			
ii) Individual Shareholders holding nominal share capital in excess of ₹ 2 Lakh		13,12,011	10.11
b) NBFCs registered with RBI		-	-
c) Employee Trusts		-	-
d) Overseas Depositories (holding Drs)		-	-
e) Others (specify)			
i) Bodies Corporate		11,46,784	8.83
ii) Hindu Undivided Families		65,601	0.51
iii) NRI		100	0.00
iv) Clearing Members		5869	0.00
Sub-Total (B)(3):		33,71,840	25.98
Total Public Shareholding (B)=(B)(1)+(B)(2)+(B)(3)		1,29,80,258	100.00
C. Non Promoter-Non Public Shareholding			
(1) Custodian/ DR Holder		-	-
(2) Employee Benefit Trust		-	-
Grand Total (A+B+C)		1,29,80,258	100.00

Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The report, inter alia, confirms that the total listed and paid-up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in physical mode.

b. Dematerialization of Shares as on 31st March, 2021:

Particulars	No. of Equity Shares	% to Share Capital
NSDL	3,47,187	2.6747
CDSL	1,21,05,995	93.2647
Physical	5,27,076	4.0606
TOTAL	1,29,80,258	100.00

The ISIN of the Scrip is INE356B01016

As on 31st March, 2021, Dematerialized shares accounted for 95.93% of the total equity. The Company has appointed CAMEO CORPORATE SERVICES LIMITED as RTA to handle the physical Share Transfer related work and for Electronic connectivity as detailed below:

CAMEO CORPORATE SERVICES LIMITED

Subramanian Building, No. 1,
Club House Road, Chennai – 600002.

Tamilnadu

Tel No.: 044 - 22846039

Fax No.: 044 – 28460129

E-mail: cameo@cameoindia.com

Web: www.cameoindia.com

Contact Person: Mr. P. Muralidharan

Details of Public Funding obtained in the Last Three Years

No capital has been raised from public in the last three years.

CORRESPONDENCE ADDRESS FOR INVESTOR

Secretarial Department,

Systematix Corporate Services Limited

"The Capital", 'A' Wing, 6th Floor, No. 603-606,

Plot No. C-70, 'G' Block, Bandra-Kurla Complex,

Bandra (East), Mumbai – 400 051

Tel No.: +91-22-619 8000/4035 8000; Fax No.: +91-22-6619 8029/4035 8029

E-mail: secretarial@systematixgroup.in

Contact person: Mrs. Shweta Sharma, Company Secretary & Compliance Officer

For and on behalf of the Board of Directors

Chandra Prakash Khandelwal

Chairman & Managing Director

DIN: 00016373

Date: 12.08.2021

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) 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 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies 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
1.	Chandra Prakash Khandelwal	00016373	30/03/1995
2.	Nikhil Khandelwal	00016387	13/08/2018
3.	Anju Khandelwal	00474604	20/01/2003
4.	Shriram Surajmal Khandelwal	06729564	30/05/2013
5.	Sanjay Khandelwal	01592134	30/09/2014
6.	Rakesh Mehta	03203106	09/03/2018

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

Practicing Company Secretaries

(Peer Review Certificate No. 593/2019)

Hitesh Kothari

(Partner)

Membership No.: 6038

CP No.: 5502

UDIN: F006038C000775061

Place: Mumbai

Date: 12.08.2021

Annexure - II

MD & CFO Certification

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Systematix Corporate Services Limited ("the Company") to the best of our knowledge and belief certify that:

- a. We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2021 and that to the best of our knowledge and belief, we state that:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain any 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. We further state that to the best of our knowledge and belief, there are 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 hereby declare that all the members of the Board of Directors and Senior Management and Executive Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
- d. We are responsible 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 of the Company and have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies.
- e. We have indicated, based in our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has 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 significant role in the Company's internal control system over the financial reporting.

**For and on behalf of the Board of Directors
Systematix Corporate Services Limited**

**Sd/-
Chandra Prakash Khandelwal
Managing Director
DIN: 00016373**

**Sd/-
Anil Bhagchandani
Chief Financial Officer**

Place: Mumbai

Date: 25.06.2021

Annexure - III

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Systematix Corporate Services Limited,

We have examined the compliance of the Corporate Governance by Systematix Corporate Services Ltd. for the year ended 31st March, 2021 as stipulated in Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

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

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

As required by guidance note issued by the Institute of Chartered Accountants of India, the records relating to investor grievances pending against the Company, if any, is maintained by the Registrar and Share Transfer Agent of the Company, who have certified that as at 31st March, 2021, no grievances was unattended / pending for more than 30 days.

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

For S Jawahar & Associates
Chartered Accountants
FRN :006232S

S Jawahar
Partner
M. No: 201098

Place: Chennai
Date: 12.08.2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. OVERVIEW OF THE GLOBAL ECONOMY :

More than one year into the pandemic, global economic recovery continues to remain uncertain in the near term. While growing vaccine coverage lifts sentiments and global growth prospects, newer virus mutations and the corresponding toll on humanity raise concerns. On one hand high frequency indicators point to a strengthening of growth, led by some of developed markets, while, on the other a renewed global surge in Covid cases by more transmissible strains has led to newer restrictions in several countries. This has led to diverging economic recoveries across different countries and geographies depending upon the extent of policy support and effort towards normalization.

IMF projected an impressive 12.5% growth rate for India in FY2022, making the country the only major economy of the world to register a double-digit growth this year amidst the coronavirus pandemic. However, with the resurgence of Covid-19 cases posing risks to economic recovery, leading brokerages have downgraded India's GDP growth projections for the current fiscal year to as low as 10% on local lockdowns threatening fragile recovery. World Bank has slashed India's GDP forecast for FY2022 to 8.3% from 11.2% predicted earlier, as the second COVID-19 wave hit India hard. Disruption in global supply chain has highlighted risk of overdependence on a single country. Many global MNCs are likely to consider diversifying their manufacturing operations from China and India could be a likely beneficiary given the low corporate tax rate, skilled population, relatively low wages and a large domestic market. Thus, once the situation stabilizes, India could see relatively stronger recovery.

Broking Industry and Our Business :

The average daily traded volumes (ADTO) for the equity markets during FY2021 stood at INR 27.41 lakh crores, up 90% YoY from INR 14.44 lakh crores in FY2020. The overall Cash market ADTO reported growth of 66% YoY at INR 64,951 crores in FY2021. Delivery saw growth of 39% YoY to INR 12,718 crores. Within derivatives, futures volume increased 24% YoY to INR 1.09 lakh crores while options rose 95% YoY to INR 25.67 lakh crores. Amongst cash market participants, retail constitutes 56% of total cash volume, institution constitutes 18% of total cash volume and prop constitutes 26%. The proportion of DII in the cash market was 7%, down from 10% in FY20.

In FY2021, a record of 1.44 crores new demat accounts were added as against 0.48 crores in FY2020. This spike is attributed to the disposable income and saved time due to work from home culture coupled with strong rally in equity markets. CDSL, the largest depository in India in terms of number of demat clients, crossed the 3 crore accounts mark in January. The number of demat accounts stood at 5.51 crores in FY2021, a growth of 35% YoY.

Indian equities witnessed continued net inflows from FIIs for most of the part of the financial year, with December recording the highest ever inflows. Highest ever FII inflows was recorded in FY2021, greater than the cumulative inflows of the last six years. On the contrary, DIIs recorded the first outflows after five years of inflows.

Our PCG (Private Client Group) and Retail Broking businesses continued to benefit from rising investor participation in public markets and have continued the growth momentum into the current financial year.

Our Institutional Broking business provide 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 120 in FY21. 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 150+ companies covering 14 sectors. Our corporate access domain has always been a focus area with execution of successful events, especially Industry Specific Investor Conferences in India.

Investment Banking & Merchant Banking :

Despite the Covid-19 pandemic, fund mobilization via the primary market route was one of the highest ever in FY2021. The financial year 2021 saw 66 IPOs as compared to 39 in FY2020. The amount of funds raised through 30 main-board IPOs in FY2021 was R 31,268 crores vs ~R 20,350 crores in FY2020 through 13 IPOs. Some of the successful IPOs in FY2021 were Burger King, Happiest Mind Technologies, Indigo Paints, Mrs Bectors, Mazagaon Dock, Rossari Biotech, Route Mobile, Gland Pharma etc. Already-listed companies found the QIP route attractive, with 31 companies raising R 78,731 crores, the most in a financial year, and 54% more than the R 51,216 crores raised in FY2020. ICICI Bank's QIP was the largest, raising R 15,000 crores, accounting for 19% of the total amount.

During FY2021, we were associated with Blackstone Private Equity's stake sale in its portfolio company – EPL Ltd (erstwhile Essel Propack Limited) for a transaction of INR 18,650 million. We also advised two leading consumer and consumer tech companies like Pushp Spices and Purple Limited respectively on raising INR 1,250 million and INR 3,250 million through reputed private equity investors. 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 BFSI, Consumer, Healthcare and Logistics / Supply Chain. We continue to have rich pipeline across capital markets and advisory with the year FY2022 expected seeing us make significant strides in IPOs (Initial Public Offers) and QIP (Qualified Institutional Placement) transactions.

Asset Management :

Overall mutual fund industry AUM was INR 31.43 lakh crores in FY2021, a jump of 41% YoY. The growth rate was higher on account of lower base in March 2020. On the front of equity mutual fund (excluding arbitrage and including balanced and ELSS), AUM stood at INR 12.7 lakh crores contributing 40% of the total AUM. Owing to higher redemptions, industry witnessed net outflows for 8 consecutive months in equity category leading to INR 0.7 lakh crores of outflows as opposed to INR 0.6 lakh crores of inflows in FY2020. The highlight of FY2021 includes rising new SIPs registered but declining flows. Around 1.41 crores of new SIPs were registered in FY2021 as compared to 1.18 crores in FY2020. SIP contribution, however, declined from INR 1,00,084 crores in FY2020 to INR 96,080 crores in FY2021. During the year, several new guidelines and regulations were issued by SEBI like change in asset allocation framework for multi-cap funds, introduction of flexi-cap category, introduction of new risk-o-meter tool, change in NAV calculation, labelling norms of dividend calculation and valuation of AT-1 and Tier 2 bonds. The rationale behind the regulatory change is to act in favor of investors which bodes well for the industry in the long term.

At Systematix, we have filed for an AIF (Alternate Investment Fund) in March 2021 with SEBI, to

raise a Media & Entertainment Focused Structured Credit and Equity Fund. The fund size is targeted to be INR 250-300 crores. We are expecting to receive SEBI's clearance for the fund by mid of FY22 and then proceed for further fund raising and investments.

Wealth Management :

As per latest Karvy Wealth Report, India's individual wealth stands at R 465 lakh crores as of FY2020 which has grown at 9.6% on YoY basis. More-over the proportion of financial assets in the total wealth has de-grown to 56.5% in FY2020 from 60.5% in FY2019. The financial assets grew at 2.4% YoY to R 263 lakh crores. The year witnessed an increase in share of saving deposits, bonds, cash and provident funds. The proportion of equity and equity products in the financial asset mix declined from 20.3% in FY2019 to 13.7% in FY2020. The composition of equities in overall assets declined from 18.9% in FY2019 to 13.8% in FY2020. Equity proportion in overall assets is very less in India, as compared to the world (30.2%). It is estimated that individual wealth in India will grow at a CAGR of 13.7% to reach R 799 lakh crores by FY2025.

B. INDIAN ECONOMY:

Over 2015–20, there have been structural changes in the economy with inflation rate largely remaining in the RBI's comfort zone of 2-6 Percent which resulted in decline in interest rates. The Indian economy was on course to become the third largest economy globally by 2030.

However, the onset of the pandemic in Q4 FY 2019-20 resulted in the Government announcing the first ever national lockdown lasting more than eight weeks. The ensuing disruption led to a record GDP contraction of 24.4 Percent Q1 FY 2020-21. However, this lockdown helped contain the spread of the virus and aided the economy return to its growth path by Q3 FY 2020-21. The Reserve Bank of India (RBI) intervened by providing monetary stimulus through its various liquidity programmes, slashing interest rates, and allowing loan moratorium facilities, among others. The Government initiated several measures to minimise the impact of the pandemic, protect the lives of the country's citizens and revive the economy. The Government also announced a comprehensive COVID relief package of INR 20 trillion in May 2020 as a part of Atmanirbhar Bharat Abhiyaan which included a mix of cash spending, liquidity support to agriculture, MSMEs and other critical sectors, along with various structural reforms across sectors.

Improvement in the Covid situation from September allowed the Government to open up significant portion of the economy in Q3 FY 2020-21 which along with festive demand provided further impetus to the economy. In order to support the recovery the Government also announced more stimulus measures of INR 2.65 trillion under Atmanirbhar Bharat 2.0 and 3.0 which included additional support for agriculture and housing sector among others. In order to incentivise localisation, a Production Linked Incentive (PLI) scheme covering 10 sectors was launched with an outlay of INR 1.46 trillion under the Atmanirbhar Bharat 3.0 package. The PLI scheme was later expanded to cover 13 sectors with an outlay of INR 2 trillion in the Union Budget 2021-22.

High frequency indicators like PMI, IIP, CPI and GST collection, continued to point to a strong recovery in the second half of FY 2020-21. GST collection have witnessed strong growth since October 2020 with collections in H2 FY 2020-21 being higher than average of FY 2019-20, and touching a new high of INR 1.24 trillion in March 2021. Though CPI inflation remained above the RBI's comfort zone of 6.0 Percent in the first half of the year, it eased off in the second half and fell to 4.1 Percent in January 2021, before rising marginally to 5.5 Percent in March 2021

(Source: RBI).

C. OUTLOOK FOR FY2022 :

With rapid shift in clients' behaviour towards consuming services digitally, there has been a surge in digital mode of making investments. The new breed of investors entering the stock market are tech-savvy and seeks quality user interface and user experience. The industry witnessed advent of digital brokers, who gained significant market share by leveraging their digital-first approach and creating a rich user experience. This shift in trend is disrupting the equity broking space, which was otherwise largely dominated by traditional players who followed the yield based fees model.

We believe that the Retail, HNI and Institutional Broking businesses will continue to be disrupted by technology driven changes and hence as a brokerage firm, one has to remain at the edge of such innovation.

Further, the capital markets are continuing to see strong growth momentum entering into FY22 with record capital raises across companies, who are either using the capital for debt reduction or for funding their growth needs. The Indian capital market is also likely to see a strong trend of new age / digital companies getting listed, which is also expected to bring quality global investors' participation in the markets. We believe that FY2022 will be a landmark year in the Indian Capital markets with "quality" businesses getting their due interest from the investors, and record pace of transactions.

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.

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;

Strengths :

- Strong Brand name;
- One of the best deals execution track record;
- Experienced top management;
- Integrated financial services provider;
- Independent and insightful research;
- State of art infrastructure.

E. RISKS AND CONCERNS :

The company is primarily exposed to credit risk, interest rate risk, liquidity risk and operational risks. Internally, it has constituted a Committee to manage these risks. This team identifies, assesses and monitors all principal risks in accordance with defined policies and procedures. The committee is headed by the Chairman & Managing Director. The Board Level Committees viz. Audit Committee and Risk Management Committee oversee risk management policies and procedures.

F. INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY :

The 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. The 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.

G. SYSTEMATIX OVERVIEW :

Systematix Corporate Services Limited (SCSL) has come a long way since its incorporation more than three decades ago. The Company is a SEBI registered 'Category I' Merchant Banker and consists of 5 subsidiaries. Your Company's operations are organized around four broad business lines – Public Issues/ Follow on Offerings / Right issues, Debt Syndication, Private Placements and SME Listings for its prestigious corporate clients. With a knowledge centric approach and our mission to provide our customers with secure, customized and comprehensive financial solutions and thereby achieve sustained growth we have restructured ourselves through a hub-and-spoke model and have become a one stop service provider of financial services across various assets classes during the year. Through its five subsidiaries, your Company has established its presence in the Wealth Management, Institutional & HNI / UHNI Broking, Commodities and Loan Against Shares (through RBI registered NBFC). Systematix Corporate Services Ltd. through its associates has also set up a SEBI approved Venture Capital Fund through the trust route and Systematix Assets Management Co. Pvt. Ltd. is the advisor to the Fund. Your Company, through its subsidiaries, has facilities at around 8 locations via branches & franchisees, spread across 4 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 has emerged as a truly diversified Financial Services firm with a wide selection of products and services spanning multiple asset classes and consumer segments. Now SCSL offers Equity, Commodities, Currency, IRF, SLBs, Depository Service, Online Trading, IPO and Mutual Fund Distribution, PMS, Loan Against Shares apart from merchant and investment banking services to various clients. We maintain our focus on building a long term sustainable business structured around the strengths of our scalable technology platform, enhanced customer service and the introduction of applications that enhance customer experience.

H. SERVICES OFFERED :**i. Merchant Banking :**

Merchant Banking Division comprises of a group of highly experienced professionals with diverse expertise in merchant and investment banking with special skills in assisting medium sized companies going public. We help companies to raise capital during the seed, growth and expansion phases as well as acquisition financing and structuring the deal to maximize value for all its stakeholders. The comprehensive range of services from conception to completion provided under one roof reinforces our commitment on quality assurances through total involvement. The team have more than a decade experience in the capital markets and have handled a variety of deals across several key sectors such as hospitality, automobiles, retail, engineering, media & entertainment, infrastructure, logistics, metals & mining, pharmaceuticals, power, banking & financial services, telecom & IT among others. During the year under review, the division has gone up around 112.61 % to ₹ 1021.17 Lakh as compared to last year of ₹ 480.30 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 ₹ 647.54 Lakh as compared to previous year ₹ 1648.20 Lakh; decrease by 60.71 % over the preceding year.

The Company's product offerings include activities like financing against shares and margin funding.

iii. Wealth Management :

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

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

Distribution and marketing income comprises commission, brokerage and marketing income generated from distribution of third party products such as insurance, mutual funds, IPO and

online marketing on the Company's website. A part of the income is contributed by commission and brokerage on Mutual Fund Distribution from the wealth management platform. During the year company's income from distribution and marketing was ₹ 105.10 Lakh as compared to ₹ 127.40 Lakh earnings & decreased by 17.51 % from last year.

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

iv. Portfolio Management Services :

Portfolio Management Service (PMS) is a sophisticated investment vehicle that offers customized investment strategies to capitalize on opportunities in the market. Efficient Investment Management requires time, knowledge, understanding, expertise and constant monitoring of developments in micro and macro economical environment. That is difficult for investors because of involvement in its own business profession and other activities. For those who need an expert to help to manage their investments, PMS is the right answer. An experienced Fund Manager considers your financial goals and market environment to form a right investment strategy that is best suitable for your portfolio. Given the unpredictable nature of the markets, Our Portfolio Managers work with clients to design an individual investment strategy in accordance with their objectives, risk tolerance, and liquidity needs and draw upon the best suited portfolio. In a nut shell, based on our holistic investment approach and innovative product capabilities we offer you very active multi asset class portfolio advisory & management services with personalized attention and active participation of Systematix' management. We offer both discretionary and non-discretionary portfolio services.

v. Commodities & Currency Derivatives :

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

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 2020-2021	% of Total Income	FY 2019-2020	% of Total Income
Revenue	5429.87	97.40	5,133.96	95.66
Income from Operation				
Other Income	144.82	2.60	233.15	4.34
Total	5574.87	100.00	5,367.11	100.00
Expenditure	2685.59	48.17	2,756.63	51.36
Employees Cost				
Finance Cost	354.68	6.36	970.43	18.08
Net loss on fair value changes	0.00	0.00	76.01	1.42
Share of loss from Joint Venture LLP	2.34	0.04		
Impairment on financial instruments	184.09	3.30	73.02	1.36
Depreciation	105.00	1.88	586.82	10.93
Other Expenses	2135.96	38.32	1,359.26	25.33
Total	5467.66	98.08	5,822.18	108.48
Exceptional Items	-	-	-	-
Profit Before Tax	107.03	1.92	(455.07)	(8.48)
Tax current & deferred	(24.61)	(0.44)	(10.17)	(0.19)
Profit after Tax	131.64	2.36	(444.90)	(8.29)
Other comprehensive income	31.55	0.57	(1.29)	(0.02)
Total comprehensive income for the year	163.19	2.93	(446.19)	(8.31)
Earning per Shares (Basic)	1.01		(3.43)	
Earning per Shares (Diluted)	1.01		(3.43)	

The revenues of the Company for the financial year under review are ₹ 5574.87 Lakh as compared to ₹ 5367.11 Lakh for the previous year. The profit for the year under review is ₹ 163.19 Lakh as against the Loss of ₹ 446.19 Lakh in the previous year.

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

Particulars	FY 2020-2021	% of Total Income	FY 2019-2020	% of Total Income
Revenue	914.76	89.58	426.66	88.83
Income from Operation				
Other Income	106.41	10.42	53.65	11.17
Total	1021.17	100.00	480.30	100.00
Expenditure	419.48	41.08	395.65	82.37
Employee benefits expenses				
Finance Cost	208.24	20.39	179.03	37.27
Net loss on fair value changes	0.75	0.07	15.00	3.12
Impairment on financial instruments	2.72	0.27	28.60	5.95
Share of loss from Joint Venture LLP	2.34	0.23		
Depreciation	26.45	2.59	104.70	21.80
Other Expenses	261.65	25.62	155.97	32.47
Total	921.63	90.25	878.95	183.00
Exceptional Items	-	-	-	-
Profit Before Tax	99.54	9.75	(398.64)	(83.00)
Tax- current & deferred	(4.87)	(0.48)	(20.84)	(4.34)
Profit after Tax	104.41	10.22	(377.80)	(78.66)
Other comprehensive income	2.72	0.27	(1.60)	(0.33)
Total comprehensive income for the year	107.12	10.49	(379.40)	(78.99)
Earning per Shares (Basic)	0.80	-	(2.91)	-
Earning per Shares (Diluted)	0.80	-	(2.91)	-

➤ **Performance of Subsidiaries:**

Systematix Shares and Stocks (India) Limited

(₹ in Lakh)

Particulars	FY 2020-21	FY 2019-20	Growth %
Total Revenues	4215.91	3,472.54	21.41
EBIDT	445.16	463.08	(3.87)
PBT	259.65	(33.74)	293.39
PAT	268.97	(43.21)	312.18

Systematix Fincorp India Limited

(₹ in Lakh)

Particulars	FY 2020-21	FY 2019-20	Growth %
Total Revenues	221.92	693.01	(67.98)
EBIDT	(212.90)	438.95	(148.50)
PBT	(232.43)	13.89	(1773.06)
PAT	(229.47)	10.15	(2361.43)

Systematix Finvest Private Limited

(₹ in Lakh)

Particulars	FY 2020-21	FY 2019-20	Growth %
Total Revenues	425.63	955.19	(55.44)
EBIDT	188.88	496.29	(61.94)
PBT	5.46	(3.92)	9.38
PAT	8.36	(2.52)	10.88

Systematix Commodities Services Private Limited

(₹ in Lakh)

Particulars	FY 2020-21	FY 2019-20	Growth %
Total Revenues	9.61	43.35	(77.83)
EBIDT	(24.50)	(20.45)	(19.81)
PBT	(24.65)	(32.28)	23.64
PAT	(20.01)	(30.72)	34.85

Systematix Ventures Private Limited

(₹ in Lakh)

Particulars	FY 2020-21	FY 2019-20	Growth %
Total Revenues	0.40	0.26	53.28
EBIDT	(0.51)	(0.38)	(36.37)
PBT	(0.51)	(0.38)	(36.37)
PAT	(0.61)	(0.79)	22.52

Details of significant changes in key financial Ratios:

Sr. No.	Particulars	31.03.2021	31.03.2020	change in %	Explanation
1.	Debtors Turnover Ratio	6.77	6.62	2.26	Due to decrease in revenue from operations, debtors turnover ratio decreases.
2.	Interest coverage ratio (ICR)	1.30	0.53	(145.12)	Due to Decrease in Interest Expenses, EBIT is decreased Hence it affected ICR
3.	Current ratio	2.04	2.87	(28.82)	Due to Increase in trade payables and Decrease in Short term Loan, Current Ratio Decreases
4.	Debt Equity Ratio	7.23	4.79	(51.00)	Liabilities during the year is Increased, Hence Debt Equity Ratio is Increased
5.	Operating Profit Margin	8.28	9.60	13.75	NotApplicable
6.	Net Profit Margin	2.36	(8.29)	128.49	Due to Increase in Revenue from Operations and Decrease in Finance Cost resulted in Net Profit for the year
7.	Return on Net Worth	1.71	(5.89)	128.96	Due to Increase in Revenue from Operations and Decrease in Finance Cost resulted in Net Profit for the year

J. HUMAN RESOURCES :

The Company continues to lay emphasis on developing and facilitating optimum human performance. Performance management was the key word for the Company this year. Recruitment process has been strengthened to ensure higher competence levels. There were 15 permanent employees on the roll of the Company as on March 31, 2021.

K. CAUTIONARY STATEMENT :

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

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

1. We have audited the accompanying standalone IND AS financial statements of M/s. Systematix Corporate Services Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss for the year, (including other Comprehensive income), the Cash Flows Statement, 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 Ind AS 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 prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind As") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the Profit (Including Other Comprehensive Income), the Statement of 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 Ind AS 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.

Emphasis of Matters:

Without qualifying our opinion, we bring to your attention the following:

4. Covid-19 note
 - a) The Company has considered the possible effects that may result from the Covid-19 pandemic on the carrying amounts of Property, Plant and Equipment, Investments, Inventories, Receivables

and Other Current Assets. The Company has considered internal and certain external sources of information including economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

- a) Further to the continuous spreading of Covid-19 across India, travel restriction was imposed by State Government/Local Authorities during the period of our Audit. This has resulted in restriction on physical visit to the company and to rely on alternate audit procedure as per the standards on Auditing prescribed by the Institute of Chartered Accountant of India. (ICAI).
- b) As a result of the above, the entire statutory audit of the Company has been carried out on remote access of the data provided by the Company.

Key Audit Matters

5. 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 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.

Key Audit Matters	Auditor's Response
Inter corporate deposit to Subsidiary During the year, the Company has granted loan to two subsidiaries, pursuant to an agreement with the Subsidiaries. We consider granting loan to Subsidiaries as a key audit matter as it constitutes significant percentage of loan given.	We have verified the relevant records and found the interest charges are in accordance with company policy. Based on the above procedure and, in our opinion the managements determination is considered to be reasonable.
Income Recognition IND AS 115 Revenue recognition As described in Accounting Policies No 2(iii) (I) , Note no 23 to the standalone financial statements, the company has adopted Ind AS 115, Revenue from Contracts with customers ('Ind AS 115') which is the new revenue accounting standard. The application and transition to this accounting	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing

standard is complex and is an area of focus in the audit.

The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

Information other than the Financial Statements and Auditors reports Thereon

6. The company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's Report, Management Discussion & Analysis Report, Business Responsibility Report, but does not include the financial statements and our auditor's report thereon. The Board's Report, Management Discussion & Analysis Report, Business Responsibility Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the report, if we conclude that there is a material misstatement there in, we are required to communicate the matter to those charged with governance.

Management Responsibilities for the Standalone Ind AS Financial Statements

7. 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 Ind AS 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 safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

8. In preparing the standalone Ind As financial statements, management is responsible for assessing the Company 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.
9. The Board of Directors are responsible for overseeing the Company financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements

10. 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 SA's 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.
11. As part of an audit in accordance with SA's, 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.
12. 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.
 13. 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.
 14. 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.
 15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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

16. 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 dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of written representation received from the directors as on 31st March 2021 taken on record by the Board of directors, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- g. In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- i. 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 litigation on its financial position in its Standalone IndAS Financial Statements.
 - ii. the Company did not have any long-term contracts, including derivative contracts; and
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
17. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S. Jawahar & Associates
Chartered Accountants
FRN NO : 006232S

S Jawahar
Partner
Membership NO : 201098
UDIN NO: 21201098AAAABW4880

Place: Chennai
Date : 25.06.2021

"Annexure – A" to the Independent Auditor's Report of even date on the Standalone IND AS Financial Statements of M/s. Systematix Corporate Services Limited

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

1. We have audited the Internal Financial Controls over financial reporting of M/s. Systematix Corporate Services Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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 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

3. Our responsibility is to express an opinion on the company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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.
5. 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 standalone financial statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company Internal Financial Controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

7. A Company's Internal Financial Controls 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 Controls 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 assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

8. 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 Controls 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

9. In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at 31st March, 2021 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 issued by the Institute of Chartered Accountants of India.

For S. Jawahar & Associates
Chartered Accountants
FRN NO: 006232S

Place: Chennai
Date: 25.06.2021

S Jawahar
Partner
Membership NO: 201098
UDIN NO: 21201098AAAABW4880

"Annexure B" to the Independent Auditors Report

(Referred to in paragraph 15 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 31st March, 2021.)

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) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) These fixed assets have been physically verified by the management at reasonable intervals, which, in our opinion, is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification. The Company does not have any immovable property of freehold or leasehold land and building and hence reporting under clause (i) (c) of the Order is not applicable.
- (ii) According to the information and explanations given to us, and having regard to the company's business reporting on clause 3(ii) of the Companies (Auditor's report) order 2016 does not arise.
- (iii) The Company has granted loans to three Companies covered in the register maintained under section 189 of the Companies Act, 2013.
 - (a) The terms and conditions of the grant of such loan are not prejudicial to the company's interest.
 - (b) The schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular.
 - (c) There are no overdue amounts.
- (iv) The Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments and guarantee provided by the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) As per the explanation and information given to us, the Company is not required to maintain cost Records pursuant to Sub-section (1) of Section 148 of the Companies Act, 2013. Accordingly the clause 3 (vi) of the order is not applicable to the company.
- (vii) According to the information and explanations given to us in respect of Statutory dues :
 - (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Income Tax, ESI , GST, Professional tax and other material statutory dues applicable to it. However there were no arrears at the end of the year. There were no undisputed amounts payable in respect of Income Tax, GST, Professional Tax, and Sales Tax, were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

- (b) Details of dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax, Goods and Service Tax and Cess, which have not been deposited as on 31st march 2021 on account of disputes are given below:

Income Tax			Rs in lakhs
Assessment Year	Amount	Appeal by	Pending before
A.Y. 2017-18	19.03	Company	CIT (Appeals)

- (viii) The Company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.
- (x) The Company has not noticed any fraud by the Company or any fraud on the Company by its Officers or employees or reported during the year.
- (xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Companies Act.
- (xii) The Company is not a Nidhi Company and hence complying with the provisions of the Nidhi Rules, 2014 does not arise.
- (xiii) All transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements, etc., as required by the applicable Accounting Standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The Company has not entered into any non-cash transactions with Directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For S. Jawahar & Associates
Chartered Accountants
FRN NO : 006232S

S Jawahar
Partner

Membership NO : 201098

UDIN NO: 21201098AAAABW4880

Place : Chennai

Date : 25.06.2021

Systematix Corporate Services Limited

Balance sheet as at 31 March 2021

Balance sheet as at 31 March 2021

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
ASSETS			
I. Financial assets			
Cash and cash equivalents	3	43.00	24.47
Bank balances other than above		-	-
Receivables			
(i) Trade receivables	4	48.59	18.24
(ii) Other receivables	5	-	5.26
Loans	6	347.82	510.07
Investments	7	6,723.13	6,670.66
Other financial assets	8	503.65	3.65
		7,666.19	7,232.36
III. Non-financial assets			
Current tax assets (net)	9	89.52	113.82
Deferred tax assets (net)	10	26.53	22.57
Property, plant and equipment	11	26.99	81.63
Other non-financial assets	12	28.17	9.29
		176.21	227.31
Total Assets		7,836.40	7,459.67
LIABILITIES AND EQUITY			
I. LIABILITIES			
Financial Liabilities			
Payable	13		
(i) Trade payable			
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of other than micro enterprises and small enterprises		49.71	16.10
(ii) Other payable			
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of other than micro enterprises and small enterprises		-	-
Borrowings (other than debt securities)	14	1,558.55	1,352.65
Subordinated Liabilities	15	683.64	623.19
Other financial liabilities	16	-	37.03
		2,291.90	2,038.97
Non-financial Liabilities			
Current tax liabilities (net)		-	-
Provisions	17	35.48	30.44
Deferred tax liabilities (net)		-	-
Other non-financial liabilities	18	19.67	8.04
		55.15	38.48
II. EQUITY			
Equity Share Capital	19	1,305.14	1,305.14
Other equity	20	4,184.21	4,077.08
		5,489.35	5,382.22
Total Liabilities and Equity		7,836.40	7,459.67

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report attached

For S. Jawahar & Associates

Chartered Accountants

FRN NO : 006232S

S. Jawahar

Partner

M.NO 201698

Chennai

25 June 2021

For and on behalf of the Board of Directors

Chandra Prakash Khandelwal

Managing Director

Anil Bhagchandani

CFO

Shweta Sharma

Company Secretary

Mumbai

25 June 2021

Systematix Corporate Services Limited

Statement of profit and loss for the Year ended 31 March 2021

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from Operations			
Interest income	21	68.50	67.49
Fees	22	846.26	359.17
Total revenue from operation		914.76	426.66
Other income	23	106.41	53.65
Total income		1,021.17	480.30
Expenses			
Finance costs	24	208.24	179.03
Net loss on fair value changes	25	0.75	15.00
Impairment on financial instruments	26	2.72	28.60
Share of loss from Joint Venture LLP(SVP)		2.34	-
Employee benefits expenses	27	419.48	395.65
Depreciation, amortization and impairment	28	26.45	104.70
Other expenses	29	261.65	155.97
Total expenses		921.63	878.95
Profit/(loss) before tax		99.54	(398.64)
Tax expenses			
Current tax	30	-	(10.58)
Deferred tax		(4.87)	(10.26)
MAT Credit Entitlement		-	-
Total tax expenses		(4.87)	(20.84)
Profit/(Loss) after tax		104.41	(377.80)
Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability/asset		3.63	(2.07)
Items that reclassified to Profit and Loss account (MTM on Investment)		-	-
Tax on remeasurement of defined benefit -Actuarial gain or loss		(0.91)	0.47
		2.72	(1.60)
ii. Items that will be reclassified to profit or loss			
		-	-
Other comprehensive income		2.72	(1.60)
Total comprehensive income for the year		107.12	(379.40)
Earning per Equity Shares of ₹10 each (not annualised)			
- Basic and Diluted	31	0.80	(2.91)

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report attached

For S. Jawahar & Associates

Chartered Accountants

FRN NO : 096232S

S. Jawahar

Partner

M.NO 201098

Chennai

25 June 2021

For and on behalf of the Board of Directors

Chandra Prakash Khandelwal
Managing DirectorAnil Bhagchandani
CFOShweta Sharma
Company Secretary

Mumbai

25 June 2021

Systematix Corporate Services Limited

Cash flow statement for the year ended 31 March 2021

(₹ in Lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before tax and extra ordinary items	99.54	(398.64)
Adjustments for : -		
1 Depreciation and amortization	26.45	104.70
2 Interest and/or Dividend received	(66.15)	(67.45)
3 Loss on sale of FA	-	0.01
4 Interest expenses	144.66	118.69
5 Net loss on fair value changes	0.75	15.00
6 Interest on subordinated liability	60.45	55.10
7 Interest on lease liability	1.93	4.34
8 Impairment on financial instruments	2.72	28.60
9 Corporate Guarantee Commission	(40.52)	(44.07)
11 Derecognition of Lease Asset	(1.03)	-
12 GST Reversal Expenses	2.08	-
Operating profit before working capital changes	230.87	(183.72)
Adjustments for : -		
1 Trade and Other Current Assets	(546.69)	26.91
2 Trade and other Payables	44.74	(18.02)
Less: Refund received/(Income tax paid)	24.30	(42.35)
Cash Generated from operation	(246.77)	(217.18)
Cash Flow Before extraordinary items	(246.77)	(217.18)
Extraordinary items	-	-
Net Cash from/ (Used) in Operating activities	(246.77)	(217.18)
B CASH FLOW FROM INVESTING ACTIVITIES		
1 Investment (net)	(5.60)	(75.00)
2 Dividend received	0.00	0.04
3 Loan given/received back and interest (net)	228.41	299.21
4 Purchase of Fixed Assets	-	-
Net Cash from/ (Used) in investing activities	222.81	224.25
C CASH FLOW FROM FINANCING ACTIVITIES		
1 Proceeds from Long and Short Term Borrowings	195.89	197.80
2 Interest Paid	(144.66)	(118.69)
3 Lease payment	(8.75)	(96.00)
Net Cash from financing activities	42.48	(16.90)
Net increase in Cash and Cash equivalents (A+B+C)	18.52	(9.82)
Cash and Cash equivalents as (Opening Balance)	24.47	34.29
Cash and Cash equivalents as (Closing Balance)	43.00	24.47

In terms of our report attached
For S. Jawahar & Associates
Chartered Accountants
FRN NO:006232S

S. Jawahar
Partner
M.NO 201098

Chennai
25 June 2021

For and on behalf of the Board of Directors

Chandra Paraksh Khandelwal
Managing Director

Anil Bhagchandani
CFO

Shweta Sharma
Company Secretary

Mumbai
25 June 2021

(A) Share capital

Particular	(₹ in Lakhs) Equity share capital
As at 01 April 2019	1,298.93
Changes in equity share capital	-
As at 31 March 2020	1,298.93
Changes in equity share capital	-
As at 31 March 2021	1,298.93

(B) Other equity

1. Reserve and Surplus

Particular	Capital reserve	Securities premium	General reserve	Special reserve	Retained earnings	Total
As at 01 April 2019	228.64	1,865.02	44.47	-	2,318.35	4,456.48
Profit/(loss) for the year	-	-	-	-	(377.80)	(377.80)
Remeasurement of the net defined benefit liability/asset (net of tax effect)	-	-	-	-	(1.60)	(1.60)
As at 31 March 2020	228.64	1,865.02	44.47	-	1,938.95	4,077.08
As at 31 March 2020	228.64	1,865.02	44.47	-	1,938.95	4,077.08
Profit/(loss) for the year	-	-	-	-	104.41	104.41
Remeasurement of the net defined benefit liability/asset (net of tax effect)	-	-	-	-	2.72	2.72
As at 31 March 2021	228.64	1,865.02	44.47	-	2,046.08	4,184.21

The above statement of change in equity should be read in conjunction with the accompanying notes.

In terms of our report attached

For S. Jawahar & Associates

Chartered Accountants

FRN NO : 006232S

S. Jawahar

Partner

M.NO 201098

Chennai

25 June 2021

For and on behalf of the Board of Directors

Chandra Prakash Khandelwal
Managing Director

Anil Bhagchandani
CFO

Shweta Sharma
Company Secretary

Mumbai

25 June 2021

Systematix Corporate Services Limited

Notes to and forming part of the financial statement (Continued...)

1) Corporate information

Systematix Corporate Services Limited ('the Company') is a Public Limited Company incorporated in India with its registered office located 206-207, Banshi Trade Centre 581/5 M.G Road, Indore - 452001. The Company is registered as category I Merchant banker with Security 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 25 June 2021.

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.

i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value;
- defined benefit plans - plan assets measured at fair value.

iii) Summary of significant accounting policies**a) Property, plant and equipment :**

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.

Depreciation method, estimated useful life and residual value:

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

Systematix Corporate Services Limited

Notes to and forming part of the financial statement (Continued...)

allocated to its cost, net of residual value, over their estimated useful lives as follows:

• 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

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.

b) 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.

c) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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 is shown within borrowings in current liabilities in the balance sheet.

d) Impairment of assets:

Goodwill and 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 other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

e) Financial instruments:-

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial

Systematix Corporate Services Limited

Notes to and forming part of the financial statement (Continued...)

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 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

Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

The company classifies its debt instruments into three measurement categories:

- **Amortized Cost :** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized

Systematix Corporate Services Limited

Notes to and forming part of the financial statement (Continued...)

cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

- **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair Value through Profit or Loss (FVTPL):** Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the period in which it arises. Interest income from these financial assets is recognized in the Statement of profit and loss.

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 considers outstanding over due for more than 90 days for calculation of expected credit loss. 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

Systematix Corporate Services Limited**Notes to and forming part of the financial statement (Continued...)**

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.

Income Recognition**Interest income**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Dividend income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

f) Equity instruments

The Company has accounted for its investments in Subsidiary at cost.

Systematix Corporate Services Limited**Notes to and forming part of the financial statement (Continued...)**

The Company measures all equity investments at initial recognition and subsequently at fair value. Where the Company management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Company right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

g) 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.

h) 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 remeasured.

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

Systematix Corporate Services Limited**Notes to and forming part of the financial statement (Continued...)**

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.

i) 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 counter party.

j) 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 expensed in the period in which they are incurred.

k) Provisions, contingent liabilities and contingent assets**i) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of 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.

ii) Contingent liabilities

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

Systematix Corporate Services Limited**Notes to and forming part of the financial statement (Continued...)**

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.

iii) Contingent assets

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.

l) 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.

Systematix Corporate Services Limited

Notes to and forming part of the financial statement (Continued...)

m) Foreign currency translation

These financial statements are presented in Indian Rupees (INR), which is functional and presentation currency.

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

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).

n) 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. 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. 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

Systematix Corporate Services Limited

Notes to and forming part of the financial statement (Continued...)

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 of 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.

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. 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.

o) 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

Gratuity obligations

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

Systematix Corporate Services Limited

Notes to and forming part of the financial statement (Continued...)

benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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.

p) 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.

Systematix Corporate Services Limited**Notes to and forming part of the financial statement (Continued...)**

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.

q) 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

r) 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.

Systematix Corporate Services Limited

Notes to and forming part of the financial statement (Continued...)

s) 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.

t) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

u) Critical estimates and judgements

In the application of the Company's accounting policies, which are described in Note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical estimates and judgements that have the significant effect on the amounts recognised in the financial statements.

Useful lives of property, plant and equipment

As described in Notes 2.iii (a) above, the Company reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There was no change in the useful life of property, plant and equipment as compared to previous year.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also given in the normal course of business. There are certain obligations which management has concluded based on all available facts and circumstances are treated as contingent liabilities and disclosed in the Notes but are not provided for in the financial statements. Although there can be no assurance of the final outcome of the legal proceedings in which the company is involved it is not expected that such contingencies will have a material effect on its financial position or profitability.

Income taxes

In preparing the financial statements, the Company recognizes income taxes in each of the jurisdictions in which it operates. There are many transactions and calculations for which the

Systematix Corporate Services Limited**Notes to and forming part of the financial statement (Continued...)**

ultimate tax determination is uncertain. The Company recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Company determines that the probable outflow of economic resources will occur. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Impairment of financial assets

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculations, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Defined benefit obligations

The present value of defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period that have terms approximating to the terms of the related obligation.

Systematix Corporate Services Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

3 Cash and cash equivalents

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Cash in hand	0.07	0.10
Balances with banks		
- in current accounts	42.93	24.27
Total	43.00	24.47

Bank balances other than above

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Bank balance	-	-
Total	-	-

4 Trade receivables

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Receivable considered good - secured	-	-
Receivable considered good - unsecured		
- from related parties	-	-
- from others	41.84	18.24
Receivable which have significant increase in credit risk	9.47	28.60
Receivable - credit impaired	28.60	-
Less: Impairment Allowance	(31.32)	(28.60)
Total	48.59	18.24

Reconciliation of impairment allowance on trade receivable

Particular	(₹ in Lakhs)	
	Amount	
Impairment allowance measured as per simplified approach		
As at 1 April 2019	-	-
Add: Addition during the year	28.60	
Less: Reduction during the year	-	
As at 31 March 2020	28.60	
Add: Addition during the year	2.72	
Less: Reduction during the year	-	
As at 31 March 2021	31.32	

Trade receivable past due	Current	(₹ in Lakhs)				
		0-180 days past due Nil	181-360 days past 10.00% due	1 to 2 years 25.00%	2 to 3 years 30.00%	More than 3 years 100.00%
As at 31 March 2020						
Estimated total gross carrying amount at default		18.24	-	28.60	-	-
ECL - Simplified approach		-	-	(28.60)	-	-
For credit impairment						
Net carrying amount		18.24	-	-	-	-

Trade receivable past due	Current	(₹ in Lakhs)				
		0-90 days Nil	91-180 days 20.00%	181-360 days 30.00%	1 to 2 years 50.00%	More than 2 years 100.00%
As at 31 March 2021						
Estimated total gross carrying amount at default		41.84	5.90	1.21	2.36	28.60
ECL - Simplified approach		-	1.18	0.36	1.18	28.60
For credit impairment		-	-	-	-	-
Net carrying amount		41.84	4.72	0.85	1.18	-

5 Other receivables

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Receivable considered good - secured	-	-
Receivable considered good - unsecured		
- from related parties	-	-
- from others	-	5.26
Receivable which have significant increase in credit risk	-	-
Receivable - credit impaired	-	-
Total	-	5.26

Systematix Corporate Services Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Reconciliation of impairment allowance on other receivable

Impairment allowance on trade receivable

Particular	(₹ in Lakhs)
Impairment allowance measured as per simplified approach	
As at 31 March 2019	-
Add: Addition during the year	-
Less: Reduction during the year	-
As at 31 March 2020	-
Add: Addition during the year	-
Less: Reduction during the year	-
As at 31 March 2021	-

(₹ in Lakhs)

Other receivable past due	6-180 days past	181-360 days past	1 to 2 years	2 to 3 years	More than 3 years
ECL rate	Nil	10.00%	25.00%	30.00%	100.00%
As at 31 March 2020					
Estimated total gross carrying amount at default	5.26	-	-	-	-
ECL - Simplified approach	-	-	-	-	-
Net carrying amount	5.26	-	-	-	-
As at 31 March 2021					
Estimated total gross carrying amount at default	-	-	-	-	-
ECL - Simplified approach	-	-	-	-	-
Net carrying amount	-	-	-	-	-

8. Loans

		(₹ in Lakhs)	
Particular		As at 31 March 2021	As at 31 March 2020
At amortised cost			
(i) Loan Repayable on demand (refer note 36)		347.82	510.07
Total gross		347.82	510.07
Less: Impairment loss allowance		-	-
Total net		347.82	510.07
Security details			
(i) Unsecured		347.82	510.07
Total gross		347.82	510.07
Less: Impairment loss allowance		-	-
Total net		347.82	510.07
Geographical details			
(i) Loans in India			
(a) Public sector		-	-
(b) Others			
- Corporates		347.82	510.07
(ii) Loans outside India		-	-
Total gross		347.82	510.07
Less: Impairment loss allowance		-	-
Total net		347.82	510.07

GA 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 2021	As at 31 March 2020
Subsidiaries			
Systematix Finvest Private Limited		347.82	510.07
Systematix Commodities Services Private Limited		-	-
Total gross		347.82	510.07
Less: Impairment loss allowance		-	-
Total net		347.82	510.07

Systematix Corporate Services Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

7 Investments

(₹ in Lakhs)

Particular	As at 31 March 2021			As at 31 March 2020	
	Face Value	Holding Nos.	Amount	Holding Nos.	Amount
A) INVESTMENTS					
(refer note 36)					
Equity instruments (Fair Value through profit and loss) (Industrial Investment Trust Ltd)		1,00,000.00	59.25	1,00,000.00	60.00
Investment in Subsidiaries (AT COST)					
Systematix Fincorp India Limited	10	16,75,845.00	1,427.58	16,75,845.00	1,427.58
Systematix Finvest Private Limited	100	1,87,820.00	1,100.99	1,87,820.00	1,100.99
Systematix Shares and Stocks (India) Limited	10	41,63,500.00	3,584.04	41,63,500.00	3,536.42
Systematix Commodities Services Private Limited	100	80,000.00	312.13	80,000.00	312.13
Systematix Ventures Private Limited	10	3,00,000.00	33.54	3,00,000.00	33.54
Divisha Alternative Investments LLP			5.60		
Debentures, Unquoted (at amortised cost)					
10% Debenture of Skittish Realtors Private Limited		2,00,000.00	200.00	2,00,000.00	200.00
Total (A)		67,07,165.00	6,723.13	67,07,165.00	6,670.66
(i) Investments outside India		-	-	-	-
(ii) Investments in India		67,07,165.00	6,723.13	67,07,165.00	6,670.66
Total (B)		67,07,165.00	6,723.13	67,07,165.00	6,670.66
Less:					
Allowance for impairment Loss (C)		-	-	-	-
Total net (A-C)		67,07,165.00	6,723.13	67,07,165.00	6,670.66

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 2021	31 March 2020
Aggregate book value of quoted investments	-	-
Aggregate market value of quoted investments	59.25	60.00
Aggregate book value of unquoted investments	6,663.88	6,610.66
Total	6,723.13	6,670.66

Systematix Corporate Services Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

8 Other financial assets

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
Security deposits	503.38	3.38
Insurance claim receivable	-	-
Others	0.27	0.27
Total	503.65	3.65

9 Current tax assets (net)

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
Advance Income Tax (Net of provision)	89.52	113.62
Total	89.52	113.62

10 Deferred tax assets

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
Deferred tax liability on account of : - Depreciation and amortization due to timing difference	-	-
Total Deferred tax liability	-	-
Deferred tax assets on account of : - Depreciation and amortization due to timing difference - Additional contribution to gratuity plan assets - Right to use assets - Expected credit loss - Unrealised loss on investments measured at FVPL	12.84 2.04 - 7.88 3.96	10.48 5.49 0.07 6.54 -
Total Deferred tax assets	26.53	22.57
Net Deferred tax assets (A)	26.53	22.57
MAT Credit entitlement (B)	-	-
Total (a+b)	26.53	22.57

Movement in deferred tax balances

(₹ in Lakhs)

Particular	As at 31 March 2020	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at 31 March 2021
Deferred tax liability on account of : - Depreciation and amortization due to timing difference	-	-	-	-
Total Deferred tax liability	-	-	-	-
Deferred tax assets on account of : - Depreciation and amortization due to timing difference - Additional contribution to gratuity plan assets - Right to use assets - Expected credit loss - Unrealised loss on investments measured at FVPL	10.48 5.49 0.07 6.54 -	(2.18) 2.54 0.07 (1.34) (3.96)	- 0.91 - - -	12.84 2.04 - 7.88 3.96
Total Deferred tax assets	22.57	(4.87)	0.91	26.53
Deferred tax assets (net)	22.57	(4.87)	0.91	26.53

Movement in deferred tax balances

(₹ in Lakhs)

Particular	As at 1 April 2019	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at 31 March 2020
Deferred tax liability on account of : - Depreciation and amortization due to timing difference	-	-	-	-
Total Deferred tax liability	-	-	-	-
Deferred tax assets on account of : - Depreciation and amortization due to timing difference - Additional contribution to gratuity plan assets - Right to use assets - Expected credit loss - Unrealised loss on investments measured at FVPL	8.56 1.54 1.74 - -	(1.90) (3.48) 1.67 (6.54) -	- 0.47 - - -	10.48 5.49 0.07 6.54 -
Total Deferred tax assets	11.84	(10.26)	0.47	22.57
Deferred tax assets (net)	11.84	(10.26)	0.47	22.57

Systematix Corporate Services Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

11 Property, plant and equipment

Particular	(₹ in Lakhs)				
	Right to use asset - Lease building	Plant and equipments	Furniture and fixtures	Office Equipment	Vehicles
Gross carrying amount					
As at 31 March 2020	38.91	42.33	225.85	40.07	7.25
Additions	-	-	-	-	-
Deductions and adjustments	(38.91)	-	-	-	-
As at 31 March 2021	-	42.33	225.85	40.07	7.25
Accumulated depreciation and impairment					
As at 31 March 2020	2.16	41.46	164.49	37.79	6.89
Depreciation charged during the year	7.57	-	17.28	1.60	-
Disposals	(9.73)	-	-	-	-
As at 31 March 2021	-	41.46	201.77	39.39	6.89
Net carrying amount as on 31 March 2021	-	0.87	24.08	0.68	0.36
Gross carrying amount					
As at 1 April 2019	192.34	42.33	225.85	40.17	7.25
Additions	38.91	-	-	-	-
Deductions and adjustments	(192.34)	-	-	(0.10)	-
As at 31 March 2020	38.91	42.33	225.85	40.07	7.25
Accumulated depreciation and impairment					
As at 1 April 2019	100.25	41.46	166.65	36.27	6.89
Depreciation charged during the year	85.24	-	17.84	1.62	-
Disposals	(192.34)	-	-	(0.09)	-
As at 31 March 2020	2.16	41.46	164.49	37.79	6.89
Net carrying amount as on 31 March 2020	36.75	0.87	41.36	2.29	0.36

Refer note 38 for disclosure pertaining to assets taken on lease

Systematix Corporate Services Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

12 Other non-financial assets

(₹ in Lakhs)		
Particular	As at 31 March 2021	As at 31 March 2020
Prepaid/Advance for expenses	21.05	5.14
Balance with government authorities	7.13	4.15
Total	28.17	9.29

13 Payable

(₹ in Lakhs)		
Particular	As at 31 March 2021	As at 31 March 2020
(i) Trade payable		
total outstanding dues of micro enterprises and small enterprises	-	-
total outstanding dues of other than micro enterprises and small enterprises	49.71	16.10
	49.71	16.10
(ii) Other payable		
total outstanding dues of micro enterprises and small enterprises	-	-
total outstanding dues of other than micro enterprises and small enterprises	-	-
	-	-
Total	49.71	16.10

14 Borrowings (other than debt securities)

(₹ in Lakhs)		
Particular	As at 31 March 2021	As at 31 March 2020
(i) At amortised cost		
Term loans - secured		
Loan from Yes Bank (refer note 33 and 34)	1,556.55	1,362.65
(ii) At fair value through profit or loss	-	-
(iii) Designated at fair value through profit or loss		
Total	1,556.55	1,362.65
Borrowings in India	1,556.55	1,362.65
Borrowings outside India	-	-
Total	1,556.55	1,362.65

Details of borrowings

Particulars	Maturity Date	Terms of repayment	Coupon Rate	As at 31 March 2021	As at 31 March 2020
Term loans - secured					
Loan from Yes Bank	September 2020 to August 2024	36 monthly instalments starting from September 2021	Floating interest rate @5.50% linked with Marginal Cost of Funds Lending Rate	250.16	-
Loan from Yes Bank	January 2020 to January 2030	121 monthly instalments starting from January 2020	Floating interest rate @10.50% linked with 6 months Certificate of Deposit rate published by RBI	223.12	237.71
Loan from Yes Bank	April 2018 to February 2034	101 monthly instalments starting from April 2018	Floating interest rate @9.60% linked with Marginal Cost of Funds Lending Rate	1,085.07	1,125.13

Notes:

1) Terms loan taken from Yes Bank are secured against the residential house property owned by Goldflag Exports Private Limited which is a Group Company

Systematix Corporate Services Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

15 Subordinated liabilities

Particular	[₹ in Lakhs]	
	As at 31 March 2021	As at 31 March 2020
At Amortised cost		
Preference Share		
2,50,00,000 Non-Convertible Redeemable Preference Shares of Rs. 10/- each (refer note 26)	683.64	623.19
Total	683.64	623.19
Subordinate Liabilities in India	683.64	623.19
Subordinate Liabilities Outside India	-	-
Total	683.64	623.19

Details of subordinated liabilities

Particulars	Maturity Date	Terms of repayment	Coupon Rate	[₹ in Lakhs]	
				As at 31 March 2021	As at 31 March 2020
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	683.64	623.19

Notes:

1) 2,50,00,000 Non-convertible Redeemable Preference Shares were issued for consideration other than cash.

16 Other financial liabilities

Particular	[₹ in Lakhs]	
	As at 31 March 2021	As at 31 March 2020
Lease liability (refer note 37)	-	37.03
Total	-	37.03

17 Provisions

Particular	[₹ in Lakhs]	
	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits:		
- Gratuity	8.36	10.16
Guarantee liabilities	27.40	20.30
Total	35.46	30.46

Information about provision and significant estimates

Movement in provisions for Guarantee liabilities

	[₹ in Lakhs]
Balance as on 1 April 2019	20.02
Addition of provision on account of new corporate guarantee issued	44.34
Recognition of guarantee commission	44.07
Provision as on 31 March 2020	20.30
Addition of provision on account of new corporate guarantee issued	47.62
Recognition of guarantee commission	40.52
Provision as on 31 March 2021	27.40

Systematix Corporate Services Limited

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

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.

Particulars	Present value of obligation	Fair value of plan assets	(₹ in Lakhs)
			Net amount
As at 31 March 2019	16.36	8.36	8.10
Current service cost	7.22	-	7.22
Past service cost	-	-	-
Interest expense/(income)	1.15	0.84	0.30
Total amount recognised in profit and loss	8.36	0.84	7.52
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(0.04)	0.04
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	0.91	-	0.91
Experience (gains)/losses	1.12	-	1.12
Actual Return on Plan assets	-	-	-
Total amount recognised in other comprehensive income	2.03	(0.04)	2.07
Employer contributions	-	7.54	(7.54)
Benefit payments	-	-	-
As at 31 March 2020	26.75	16.60	10.15

Particulars	Present value of obligation	Fair value of plan assets	(₹ in Lakhs)
			Net amount
As at 31 March 2020	26.75	16.60	10.15
Current service cost	5.48	-	5.48
Past service cost	-	-	-
Interest expense/(income)	1.42	0.82	0.60
Total amount recognised in profit and loss	6.90	0.82	6.08
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	0.16	(0.16)
(Gain)/loss from change in demographic assumptions	(0.02)	-	(0.02)
(Gain)/loss from change in financial assumptions	0.16	-	0.16
Experience (gains)/losses	(3.64)	-	(3.64)
Actual Return on Plan assets	-	-	-
Total amount recognised in other comprehensive income	(3.47)	0.16	(3.63)
Employer contributions	-	4.52	(4.52)
Benefit payments	0.66	0.66	-
As at 31 March 2021	29.52	21.44	8.98

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Present value of funded obligations	29.52	26.75
Fair value of plan assets	21.44	16.60
Deficit of funded plan	8.98	10.15

Systematix Corporate Services Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Significant estimates: Actuarial assumptions and sensitivity
The significant actuarial assumptions were as follows:

Gratuity

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate	6.45%	6.55%
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	IAI M (2012-14) UR	IAI M (2006-08) UR

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 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Discount rate	+/- 1%	+/- 1%	(1.72)	(1.94)	1.66	2.25
Salary escalation rate	+/- 1%	+/- 1%	0.73	1.59	(0.79)	(1.83)

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 5-10 yrs	Over 10 yrs	Total
As at 31 March 2021					
Defined Benefit Obligation	8.44	8.69	9.28	3.11	29.52
Total	8.44	8.69	9.28	3.11	29.52
As at 31 March 2020					
Defined Benefit Obligation	7.35	4.88	6.96	7.55	26.75
Total	7.35	4.88	6.96	7.55	26.75

13 Other non-financial liabilities

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
Others	2.34	-
Other payables:		
- Statutory remittances (Contributions to PF, Service Tax, GST etc.)	17.33	8.04
Total	19.67	8.04

19 Equity Share Capital

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
(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 forfeited 1,42,300 Equity shares @ Rs.5/- (Previous Year: 1,42,300 Equity Shares)	7.12	7.12

Systematix Corporate Services Limited

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 2021		As at 31 March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Opening Balance	1,29,88,258	1,298.03	1,29,88,258	1,298.03
Fresh Issue	-	-	-	-
Buy Back	-	-	-	-
Closing Balance	1,29,88,258	1,298.03	1,29,88,258	1,298.03

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 2021		As at 31 March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Supersar Exports Pvt. Ltd.	88,58,862	68.25	88,58,862	68.25
Shashikant Jain	10,76,360	8.29	11,01,360	8.48

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.

20 Other equity

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
(i) Reserve & Surplus*		
Capital Reserve	228.64	228.64
Securities Premium	1,865.02	1,865.02
General Reserve	44.47	44.47
Retained Earnings	2,046.08	1,938.86
Total	4,184.21	4,077.08

*Refer SOCIE for the movement in each of the items

Nature and purpose of each reserve

Capital Reserve	Capital reserve is created out of Share 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.
General Reserve	General Reserve is created out of Profit and Loss account Surplus Balance generated every year
Retained earnings	The balance in retained earnings primarily represents the surplus after payment of dividend (including tax on dividend) and transfer to reserves.

Systematix Corporate Services Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

21 Interest income

(₹ in Lakhs)		
Particular	Year ended 31 March 2021	Year ended 31 March 2020
(a) On financial assets measured at fair value through OCI	-	-
(b) On financial assets measured at amortised cost		
Interest on loans (refer note 36)	66.15	67.49
Interest on Income tax refund	2.35	-
(c) On financial assets classified at fair value through profit or loss	-	-
Total	68.50	67.49

22 Fees

(₹ in Lakhs)		
Particular	Year ended 31 March 2021	Year ended 31 March 2020
Financial advisory services	846.26	359.17
Total	846.26	359.17

There are no unsatisfied long term contracts.

23 Other income

(₹ in Lakhs)		
Particular	Year ended 31 March 2021	Year ended 31 March 2020
Miscellaneous income	62.63	9.53
Dividend Income	0.00	0.04
Guarantee Commission Income	40.52	44.07
Exchange Gain and Loss	2.23	-
Other Income	1.03	-
Total	106.41	53.65

24 Finance costs

(₹ in Lakhs)		
Particular	Year ended 31 March 2021	Year ended 31 March 2020
Interest on borrowings	144.66	118.69
Interest on lease liability	1.93	4.34
Interest on Statutory Payments	0.63	0.89
Interest on Subordinated Liability	60.45	55.10
Other Borrowing Cost	0.57	-
Total	208.24	179.03

25 Net loss on fair value changes

(₹ in Lakhs)		
Particular	Year ended 31 March 2021	Year ended 31 March 2020
(i) Net loss on financial instruments at fair value through Profit and Loss		
(a) On trading portfolio		
-Investments	0.75	15
Total	0.75	15.00

Systematix Corporate Services Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

26 Impairment on financial instruments

(₹ in Lakhs)

Particular	Year ended 31 March 2021	Year ended 31 March 2020
	On financial instruments measured at amortized cost	
Expected credit loss		
Trade receivables	2.72	28.60
Total	2.72	28.60

27 Employee Benefit Expenses

(₹ in Lakhs)

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, bonus and allowances	409.66	375.88
Provision for Gratuity	6.08	7.52
Staff welfare expenses	3.74	12.25
Total	419.48	395.65

28 Depreciation, amortisation and Impairment

(₹ in Lakhs)

Particular	Year ended 31 March 2021	Year ended 31 March 2020
<u>Depreciation & amortisation</u>		
on property, plant and equipment	18.88	19.46
on right to use assets	7.57	65.24
Total	26.45	104.70

29 Other expenses

(₹ in Lakhs)

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Rent, taxes and energy costs (refer note 36)	126.36	19.15
Repair and maintenance (refer note given below)	7.34	5.13
Advertisement and publicity	1.35	1.04
Director's fee, allowances and expenses* (refer note 36)	5.95	4.45
Auditor's fees (refer note given below)	1.50	1.50
Auditor's Expenses (refer note given below)	-	0.50
Legal and professional charges (refer note 36)	96.06	79.39
Traveling and conveyance	3.54	17.46
Business promotion	2.56	15.68
GST Reversal Expenses	2.08	-
Commission and Brokerage	3.50	-
Miscellaneous expenditure	11.41	11.66
Total	261.65	155.97

* Includes Reverse Charges

Details of Auditor's fees and expenses

(₹ in Lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
- for Audit Fees	1.50	1.50
- for reimbursement of expenses	-	0.50
Total	1.50	2.00

Systematix Corporate Services Limited
NOTES FORMING PART OF THE FINANCIAL STATEMENTS (Contd.)

Repair and Maintenance

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Repairs to Building	5.46	4.10
Other Repairs and Maintenance	1.88	1.04
Total	7.34	5.13

30 Tax expense

Particular	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Current tax		
-Current tax	-	-
-Earlier year	-	(10.58)
-MAT credit	-	-
	-	(10.58)
Deferred tax	(4.87)	(10.26)
Total	(4.87)	(20.84)

Reconciliation of current rate of tax and effective rate of tax:

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Profit/(loss) before income tax	99.54	(398.64)
Enacted tax rates in India (%)	25.17%	26.00%
Computed expected tax expenses	25.05	(103.65)
Change in opening deferred tax assets due to change in rate from 26% to 25.17%	0.72	-
Reversal of excess provision of earlier years	-	(10.58)
Permanent difference on which deferred tax assets/liability not created	5.02	2.81
Brought forward loss of previous year adjusted against current year loss and on which no deferred tax assets was created	(33.41)	-
Loss for the year on which deferred tax assets not created	-	90.58
Others	(2.26)	-
Income Tax expenses - Net	(4.87)	(20.84)

Temporary differences, unused tax losses and unused tax credit on which deferred tax assets is not recognised

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	242.26	363.94
Potential tax benefit @25.17% (P.Y. 26%)	(60.98)	(94.62)

31 Earnings per share

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
(i) Basic earnings per share		
Profit attributable to the equity holders of the Company	104.41	(377.80)
Total basic earnings per share attributable to the equity holders of the Company	0.80	(2.91)
(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	1,29,80,258	1,29,80,258

Systematix Corporate Services Limited
Notes forming part of the financial statements (Contd.)

32 Contingent liabilities and commitment

Particular	₹ in Lakhs	
	As at 31 March 2021	As at 31 March 2020
(i) Contingent liabilities:		
Income Tax Demand Contested in Appeals-Aest 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	9,630.00	4,190.00

33 Assets pledged as security

The Company has taken a term loan from yes bank against which residential property owned by Gold flag Exports Private Limited is given as a security.

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 2021

Particulars	₹ in Lakhs	
	As at 31 March 2021	As at 31 March 2020
Borrowings		
Secured loan	1558.55	1362.65
Preference shares	683.64	623.19
Lease liability	-	37.03
Total net debt	2,242.19	2,022.87

Particular	₹ in Lakhs			
	Lease liability	Preference shares	Secured loan	Total
Net debt as on 31 March 2019	(89.78)	(568.09)	(1,164.86)	(1,822.73)
Notional interest cost using EIR method	(4.34)	(55.10)	-	(59.44)
Additional loan received	(38.91)	-	(236.40)	(275.31)
Interest cost using EIR method	-	-	(118.69)	(118.69)
Disposal of Lease Asset	-	-	-	-
Amortization of upfront fees	-	-	(0.20)	(0.20)
Repayment	96.00	-	157.50	253.50
Net debt as on 31 March 2020	(37.03)	(623.19)	(1,362.65)	(2,022.87)
Notional interest cost using EIR method	-	(60.45)	-	(60.45)
Additional loan received	-	-	(250.19)	(250.19)
Interest cost using EIR method	(1.93)	-	(144.66)	(146.59)
Disposal of Lease Asset	30.21	-	-	30.21
Amortization of upfront fees	-	-	(0.57)	(0.57)
Repayment	8.75	-	199.52	208.27
Net debt as on 31 March 2021	-	(683.64)	(1,558.55)	(2,242.19)

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 2021.

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 of charge for depreciation during the period, is as reflected in the Financial Statements as of and for the financial year ended 31 March 2021.

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 2021.

Systematix Corporate Services Limited

Notes forming part of the financial statements (Contd.)

36 Related party transactions

(i) Details of related parties

Description of relationship	Names of related party
Holding company	Superstar Exports Private Limited
Wholly owned subsidiaries	Systematix Fincorp India Limited Systematix Finvest Private Limited Systematix Shares and Stocks (India) Limited Systematix Commodities Services Private Limited Systematix Ventures Private Limited Divisha Alternative Investment LLP
Presumption of significance influence	Systematix Capital Services Private Limited Ceepeak 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 Topcity Trading Company Private Limited Rteplaza Trading Company Private Limited Magoline Trading Company Private Limited Goldflag Exports Private Limited Goldfile Trading Company Private Limited Thirudave 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 Penspire Builders and Developers Private Limited Swarnj Apartments P Ltd First Lady Housing Private Limited Starting DreamWorks Partners LLP Divisha Real Estate Advisors LLP Divisha Realty LLP Divisha developers LLP Divisha Lifestyle LLP Urban Affordable Housing LLP S.S Khandelwal and Co Divisha Alternate Investments Manager LLP
Key managerial personnel	C.P. Khandelwal Nikhil Khandelwal Anil Bhagchandani Shweta Sharma Vrunda Dhanesha

(ii) Compensation (remuneration to KMP)

		(₹ in Lakhs)			
For the year ended 31 March 2021		Short-term employee benefits	Post-employment benefits	Long-term employee benefits	Total
C.P. Khandelwal	Managing Director	18.00	-	-	18.00
Nikhil Khandelwal	Managing Director	20.00	-	-	20.00
Anil Bhagchandani	CFO	16.62	-	-	16.62
Shweta Sharma	CS	7.79	-	-	7.79
Vrunda Dhanesha	CS	2.64	-	-	2.64

Systematix Corporate Services Limited

Notes forming part of the financial statements (Contd.)

(iii) Transactions with related parties

		(₹ in Lakhs)	
Nature of Transaction	Name	Year ended 31 March 2021	Year ended 31 March 2020
Rent	Wonderdream Realtors Private Limited	8.75	15.00
Director Sitting Fees	Anju Khandelwal	1.20	1.15
	Shriram Surajmal Khandelwal	1.55	1.20
	Sanjay Khandelwal	1.45	1.10
	Rakesh Mehta	1.75	1.00
Reimbursement for MCA Renewal Fees	Shriram Surajmal Khandelwal	0.18	-
	Sanjay Khandelwal	0.18	-
	Rakesh Mehta	0.18	-
Professional fees	S.S. Khandelwal and Co	0.50	0.50
Loan given	Systematix Finvest Private Limited	251.26	650.00
Loan received back	Systematix Finvest Private Limited	456.06	799.30
Interest charged on loan	Systematix Finvest Private Limited	42.54	37.10
Loan given	Systematix Commodities Services Private Limited	-	50.00
Loan received back	Systematix Commodities Services Private Limited	-	95.47
Interest charged on loan	Systematix Commodities Services Private Limited	-	5.43
Corporate Guarantee Commission	Systematix Shares and Stocks (India) Limited	40.46	41.27
Corporate Guarantee Commission	Systematix Commodities Services Private Limited	0.06	2.80
Amount paid on their behalf	Systematix Fincorp India Limited	-	0.30
Loan Taken	Systematix Fincorp India Limited	46.50	-
Loan Repaid	Systematix Fincorp India Limited	46.50	-
Amount paid on their behalf	Systematix Shares and Stocks (India) Limited	0.93	-
Loan given	Systematix Shares and Stocks (India) Limited	-	463.00
Loan received back	Systematix Shares and Stocks (India) Limited	-	486.85
Interest charged on loan	Systematix Shares and Stocks (India) Limited	-	3.85

(iv) Outstanding balances

		(₹ in Lakhs)	
Nature of transactions		As at 31 March 2021	As at 31 March 2020
Loan Given	Systematix Finvest Private Limited	344.74	508.52
Interest receivable	Systematix Finvest Private Limited	3.08	3.55
Outstanding Preference Shares	Superstar Exports Private Limited	2,500.00	2,500.00
Outstanding Equity Shares	Superstar Exports Private Limited	3,855.65	3,855.65
Investment in Equity Shares(Corporate Guarantee)	Systematix Shares and Stocks (India) Limited	158.09	110.47
Investment in Equity Shares(Corporate Guarantee)	Systematix Commodities Services Private Limited	8.26	8.26
Investment in Equity Shares	Systematix Finvest Private Limited	1,100.99	1,100.99
	Systematix Commodities Services Private Limited	303.67	303.67
	Systematix Fincorp India Limited	1,427.58	1,427.58
	Systematix Shares and Stocks (India) Limited	3,425.95	3,425.95
	Divisha Alternative Investment LLP	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.

Systematix Corporate Services Limited

Notes forming part of the financial statements (Contd.)

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 2021	As at 31 March 2020
Right to use assets		
Building	-	36.75
Total	-	36.75

(₹ in Lakhs)		
Particulars	As at 31 March 2021	As at 31 March 2020
Lease liabilities	-	37.03
Total	-	37.03

(b) Amount recognised in the statement of profit and loss

Right to use assets

(₹ in Lakhs)		
Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Amortization charge- Building	7.57	85.24
Interest expenses	1.93	4.34
Expenses relating to short-term leases (included in other expenses) (Refer note 29)	116.25	12.00
Total	125.75	101.58

(c) Maturity analysis of lease liabilities

(₹ in Lakhs)				
Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years
Lease liabilities	-	-	-	-

Systematix Corporate Services Limited
Notes forming part of the financial statements (Contd.)

38 Financial Instruments

(i) Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2021 is as follows:

Carrying value						Fair value	(₹ in Lakhs)
Particulars	Amortised cost	FVTPL	Level - 1	Level - 2	Level - 3	Total	
I. Financial assets							
Cash and cash equivalents	43.00	-	-	-	43.00	43.00	
Bank balances other than above	-	-	-	-	-	-	
Receivables							
(i) Trade receivables	48.59	-	-	-	48.59	48.59	
(ii) Other receivables	-	-	-	-	-	-	
Loans	347.82	-	-	-	347.82	347.82	
Investments	-	59.25	59.25	-	-	59.25	
Other financial assets	503.65	-	-	-	503.65	503.65	
Total financial assets	943.05	59.25	59.25	-	943.05	1,002.30	

Financial Liabilities

Payable

(i) Trade payable

- total outstanding dues of micro enterprises and small enterprises

- total outstanding dues of other than micro enterprises and small enterprises

(ii) Other payable

- total outstanding dues of micro enterprises and small enterprises

- total outstanding dues of other than micro enterprises and small enterprises

Borrowings (other than debt securities)

Subordinated Liabilities

Other financial liabilities

Total financial liabilities

	1,558.55	-	-	-	1,558.55	1,558.55
	683.64	-	-	-	683.64	683.64
	-	-	-	-	-	-
	2,291.90	-	-	-	2,291.90	2,291.90

The carrying value and fair value of financial instruments by categories as on 31 March 2020 is as follows:

Carrying value						Fair value	(₹ in Lakhs)
Particulars	Amortised cost	FVTPL	Level - 1	Level - 2	Level - 3	Total	
I. Financial assets							
Cash and cash equivalents	24.47	-	-	-	24.47	24.47	
Bank balances other than above	-	-	-	-	-	-	
Receivables							
(i) Trade receivables	18.24	-	-	-	18.24	18.24	
(ii) Other receivables	5.26	-	-	-	5.26	5.26	
Loans	510.07	-	-	-	510.07	510.07	
Investments	-	60.00	60.00	-	-	60.00	
Other financial assets	3.65	-	-	-	3.65	3.65	
Total financial assets	561.78	60.00	60.00	-	561.70	621.70	

Financial Liabilities

Payable

(i) Trade payable

- total outstanding dues of micro enterprises and small enterprises

- total outstanding dues of other than micro enterprises and small enterprises

(ii) Other payable

- total outstanding dues of micro enterprises and small enterprises

- total outstanding dues of other than micro enterprises and small enterprises

Borrowings (other than debt securities)

Subordinated Liabilities

Other financial liabilities

Total financial liabilities

	16.10	-	-	-	16.10	16.10
	-	-	-	-	-	-
	-	-	-	-	-	-
	1,362.65	-	-	-	1,362.65	1,362.65
	623.19	-	-	-	623.19	623.19
	37.03	-	-	-	37.03	37.03
	2,038.97	-	-	-	2,038.97	2,038.97

Systematix Corporate Services Limited

Notes forming part of the financial statements (Contd.)

(ii) Fair Value Hierarchy

This section explains the judgements 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.

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 2021	31.32	
Year ended 31 March 2020	25.60	

(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
As at 31 March 2021					
Payable	49.71	49.71	-	-	49.71
Borrowings (other than debt securities)	1,558.55	252.17	980.91	1,322.50	2,655.58
Subordinated Liabilities	683.64	-	-	2,500.00	2,500.00
Other financial liabilities	-	-	-	-	-
Total	2,291.90	301.88	980.91	3,322.50	5,105.29

					(₹ in Lakhs)
Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
As at 31 March 2020					
Payable	16.10	16.10	-	-	16.10
Borrowings (other than debt securities)	1,362.65	187.93	751.72	1,510.38	2,450.03
Subordinated Liabilities	623.19	-	-	2,500.00	2,500.00
Other financial liabilities	37.03	15.00	27.50	-	42.50
Total	2,038.97	219.03	779.22	4,010.38	5,068.63

Systematix Corporate Services Limited

Notes forming part of the financial statements (Contd.)

(iii) Financing arrangements

The company had access to following undrawn borrowing facilities at the end of reporting period:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Expiring within one year	-	-
Expiring beyond one year	-	-
	-	-

(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:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Variable rate borrowings	1,558.55	1,362.85
Fixed rate borrowings	683.64	623.19
Total borrowings	2,242.19	1,986.04

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:

Particulars	(₹ in Lakhs)	
	Increase / (Decrease) in profit before tax	
	Year ended March 31, 2021	Year ended March 31, 2020
Increase in interest rate by 20 basis points (20 bps)	(3.12)	(2.73)
Decrease in interest rate by 20 basis points (20 bps)	3.12	2.73

(b) Price risk

Exposure at the year end is as follow:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Equity Instruments (Fair Value through profit and loss)	59.25	60.00
Total	59.25	60.00

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:

Particulars	(₹ in Lakhs)	
	Increase / (Decrease) in profit before tax	
	Year ended March 31, 2021	Year ended March 31, 2020
Increase in price by 10%	(5.93)	(6.00)
Decrease in price by 10%	5.93	6.00

Systematix Corporate Services Limited**Notes forming part of the financial statements (Contd.)****40 Capital management****(i) 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.

For S Jawahar & Associates

Chartered Accountants

FRN NO:006232S

S Jawahar

Partner

M.NO 201098

Chennai

25 June 2021

For and on behalf of the Board of Directors**Chandra Prakash Khandelwal**

Managing Director

Anil Bhagchandani

CFO

Shweta Sharma

Company Secretary

Mumbai

25 June 2021

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS****Systematix Corporate Services Limited****Report on the Audit of the Consolidated Financial Statements:****Opinion**

1. We have audited the accompanying Consolidated Financial Statements of M/s. Systematix Corporate Services Limited (hereinafter referred to as "Holding Company"), and its subsidiary (Collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at 31st March, 2021, and the Consolidated Statement of Profit and Loss for the year, and the Consolidated Statement of Cash Flows for the year then ended 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").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated 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 prescribed under section 133 of the Act, and other Accounting Principles Generally Accepted in India, of the Consolidated State of Affairs of the Company as at March 31, 2021, the Consolidated Profit & Loss and its Consolidated Cash Flows for the year then ended for the year ended.

Basis of Opinion

3. We conducted our audit of the Consolidated 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 Consolidated 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 Consolidated 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 Consolidated Financial Statements.

Emphasis of Matters:

Without qualifying our opinion, we bring to your attention the following:

4. Covid-19 note

- a) The Company, has considered the possible effects that may result from the Covid-19 pandemic on the carrying amounts of Property, Plant and Equipment, Investments, Inventories, Receivables and Other current assets. The Company has considered internal and certain external sources of information including economic forecasts and industry reports up to the date of approval of the

financial statements in determining the impact on various elements of its financial statements. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements, the Company will continue to monitor developments to identify significant uncertainties in future periods, if any.

- b) Further to the continuous spreading of Covid-19 across India, travel restriction was imposed by State Government/Local Authorities during the period of our Audit . This has resulted in restriction on physical visit to the company and to relay on alternate audit procedure as per the Standards on Auditing prescribed by the Institute of Chartered Accountant of India .(ICAI).
- c) As a result of the above, the entire statutory audit of the Company has been carried out on remote access of the data provided by the Company.

Key Audit Matters

4. 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 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.

Key Audit Matters	Auditor's Response
Inter Corporate Deposit To Subsidiary During the year, the company has granted loan to two Subsidiaries, pursuant to an agreement with the Subsidiaries. We consider granting loan to Subsidiaries as a key audit matter as it constitutes significant percentage of loan given. The rate of interest charged is at par with rate charged for outsiders.	We have verified the relevant records and found the interest charges are in accordance with company policy. Based on the above procedure and, in our opinion the managements determination of rate on interest is considered to be reasonable.
Income Recognition IND AS 115 Revenue recognition As described in Accounting Policies No 2(iii) (m) and note no 25, to the Consolidated Financial Statements, the company has adopted Ind AS 115, Revenue from Contracts with customers ('Ind AS 115') which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit.	Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing

The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgements relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.

Management Responsibilities for the Consolidated Financial Statements

9. The Holding Company's Board of Directors is responsible for the preparation and presentation of these Consolidated Financial Statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance and Consolidated Cash Flows of its Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies ,of its subsidiaries are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Holding 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.
10. In preparing the Consolidated Financial Statements, the respective board of directors of the companies and of its subsidiaries are responsible for assessing the ability of the Holding Company 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 Group or to cease operations, or has no realistic alternative but to do so.
11. The respective Board of directors of the Company and of its subsidiaries are responsible for overseeing the Company financial reporting process of its associates and jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

12. 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 SA's 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.

13. As part of an audit in accordance with SA's, we exercise professional judgement and maintain professional scepticism 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 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 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 Company 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.
14. 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.
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.

17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

18. Other Matters

We did not audit the Financial Statements of Five Wholly Owned Subsidiaries. The Financial Statements of Five Wholly Owned Subsidiaries have been audited by other Auditors whose reports have been furnished to us by the management. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amount and disclosures included in respect of this Associate and our Report in terms of sub-section 3 of Section 143 of the Act, in so far as it relates to the aforesaid jointly controlled entities and Associate company is based solely on the Reports of the Other Auditor.

Financial Statement / Financial Information of M/s Systematix Fincorp India Limited, Systematix Finvest Private Limited, Systematix Shares and Stocks (India) Limited, Systematix Commodities Services Private Limited and Systematix Venture Private Limited the wholly owned subsidiary whose Financial Statements/Financial Information reflect total assets of ₹ 9,713 lakhs as at 31st March 2021, total revenues of ₹ 4,554 lakhs and net cash flows amounting to ₹ 972.27 lakhs, for the year ended on that date, as considered in the Consolidated Financial Statements.

The Consolidated Financial Results include the Audited Financial Results of one joint ventures and whose Financial Statements / Financial Information reflect Group share of net loss after tax ₹ 2.34 lakhs for the quarter ended for the year ended 31st March 2021, as considered in the Consolidated Financial Results, which have been audited by their respective independent auditors. The independent auditors' reports on Financial Statements / Financial Information of these entities have been furnished to us and our opinion on the Consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the Consolidated Financial Statements, and our report on "Other legal and regulatory requirements" below is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

19. As required by Section 143 (3) of the Act, we report that:
- 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.
 - 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 and the reports of the other auditors.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statements dealt with by this report are in agreement with the books of account.
- d) In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of written representation received from the directors as on 31st March 2021 taken on record by the Board of directors of the Holding company and the reports of the statutory auditors of its subsidiaries, none of the directors is disqualified as on 31st March 2021 from being appointed as a director in terms of section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate report in "Annexure A". 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. There were no pending litigations which would impact the consolidated financial position of the group.
 - ii. The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Subsidiary Company and Associate Incorporated in India.
- 15. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For S. Jawahar & Associates
Chartered Accountants
FRN NO : 006232S

S Jawahar
PARTNER
M. No. : 201098
UDIN NO: 21201098AAAABX7167

Place : Chennai
Date : 25.06.2021

"Annexure – A" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of M/s. Systematix Corporate Services Limited

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

1. We have audited the Internal Financial Controls over Financial Reporting of M/s. Systematix Corporate Services Limited ("the Company") as of 31st March, 2021 in conjunction with our audit of the Consolidated Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Company and its Subsidiary Company and Associate Company which are incorporated in India 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 ("the Guidance Note") 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 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

3. Our responsibility is to express an opinion on the company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. 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.
5. 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 Consolidated Financial Statements, whether due to fraud or error.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company Internal Financial Controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

7. A Company Internal Financial Controls 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 Internal Financial Controls 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 assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

8. 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 Controls 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

9. In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls over financial reporting and such internal Financial Controls over financial reporting were operating effectively as at 31st March, 2021, based on the Internal Financial Controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the Institute of Chartered Accountants of India.

For S. Jawahar & Associates
Chartered Accountants
FRN NO : 006232S

S Jawahar
PARTNER
M. No. : 201098
UDIN NO: 21201098AAAABX7167

Place: Chennai
Date : 25.06.2021

Systematix Corporate Services Limited
Consolidated Balance sheet as at 31 March 2021

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2021	As at 31 March 2020
ASSETS			
I. Financial assets			
Cash and cash equivalents	3	1,363.38	1,389.37
Bank balances other than above	4	5,204.41	2,984.46
Receivables			
(i) Trade receivables	5	1,021.68	581.55
(ii) Other receivables	6	-	5.26
Loans	7	3,720.58	4,469.77
Investments	8	541.16	335.72
Other financial assets	9	3,946.74	2,383.04
		15,797.95	12,149.17
III. Non-financial assets			
Current tax assets (net)	10	309.23	552.18
Deferred tax assets (net)	11	74.77	64.66
Property, plant and equipment	12	293.32	380.85
Intangible assets	13	350.66	354.23
Other non-financial assets	14	273.27	265.24
		1,301.25	1,617.15
Total Assets		17,099.20	13,766.33
LIABILITIES AND EQUITY			
I. LIABILITIES			
Financial Liabilities			
Payable	15		
(i) Trade payable			
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of other than micro enterprises and small enterprises		5,378.76	3,061.50
(ii) Other payable		-	-
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of other than micro enterprises and small enterprises		7.64	0.87
Borrowings (other than debt securities)	16	2,887.62	2,054.72
Subordinated Liabilities	17	683.64	623.19
Other financial liabilities	18	168.72	216.03
		9,126.38	5,956.30
Non-financial Liabilities			
Provisions	19	84.70	123.59
Deferred tax liabilities (net)		-	-
Other non-financial liabilities	20	173.71	135.21
		258.41	258.80
II. EQUITY			
Equity Share Capital	21	1,305.14	1,305.14
Other equity	22	6,409.27	6,246.08
		7,714.41	7,551.22
Total Liabilities and Equity		17,099.20	13,766.33

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report attached

For S. Jawahar & Associates

Chartered Accountants

FRN NO : 006232S

S. Jawahar

Partner

M.NO 201098

Chennai

Date: 25 June 2021

For and on behalf of the Board of Directors

Chandra Prakash Khandelwal

Managing Director

Anil Bhagchandani

CFO

Mumbai

Date: 25 June 2021

Shweta Sharma

Company Secretary

Systematix Corporate Services Limited
Consolidated statement of profit and loss for the year ended 31 March 2021

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 March 2021	Year ended 31 March 2020
Income			
Revenue from operations			
Interest income	23	803.87	1,953.99
Service income	24	4,612.68	3,179.77
Net gain on fair value changes	25	13.32	-
Other operating income	26	-	0.07
Total revenue from operation		5,429.87	5,133.83
Other income	27	144.82	233.15
Total Income		5,574.69	5,366.98
Expenses			
Finance costs	28	354.68	970.43
Net loss on fair value changes	25	-	75.88
Impairment on financial instruments	29	184.09	73.02
Share of loss from Joint Venture LLP(SVP)		2.34	-
Employee benefits expenses	30	2,685.59	2,756.63
Depreciation, amortization and impairment	31	105.00	586.82
Other expenses	32	2,135.96	1,359.26
Total Expenses		5,467.66	5,822.05
Profit/(loss) before tax		107.03	(455.06)
Tax expenses	33		
Current tax		24.86	23.36
Earlier Tax		(28.42)	(13.28)
Deferred tax		(21.07)	(20.25)
MAT Credit Entitlement		-	-
Total tax expenses		(24.61)	(10.17)
Profit/(Loss) after tax		131.64	(444.90)
Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit liability/asset		42.50	1.66
Tax on remeasurement of defined benefit -Actuarial gain or loss		(10.95)	(0.37)
		31.55	1.29
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		-	-
		-	-
Other comprehensive income		31.55	1.29
Total comprehensive income for the year		163.19	(446.19)
Earning per Equity Shares of ₹ 10 each (not annualised)			
- Basic and Diluted	34	1.01	(3.43)

The above statement of profit and loss should be read in conjunction with the accompanying notes.

In terms of our report attached
For S. Jawahar & Associates
Chartered Accountants
FRN NO:006232S

S. Jawahar
Partner
M.NO 201098

Chennai
Date: 25 June 2021

For and on behalf of the Board of Directors

Chandra Prakash Khandelwal
Managing Director

Anil Bhagchandani
CFO

Shweta Sharma
Company Secretary

Mumbai
Date: 25 June 2021

Systematix Corporate Services Limited
Consolidated cash flow for the year ended 31 March 2021

(₹ in Lakhs)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
A. Cash flow from operating activities		
Profit/(Loss) Before tax	107.03	(455.06)
Adjustments for : -		
1 Depreciation on Property, Plant and Equipment	105.00	586.82
2 Interest/Dividend Received	(30.67)	(23.23)
3 Profit /Loss on Sale of Assets/MF/Shares	(0.01)	(0.52)
4 Interest on lease liability	4.16	22.55
5 Net fair value changes	(13.32)	75.88
6 Interest as per effective interest rate	(1.95)	(173.85)
7 Interest Paid	290.06	892.77
8 Processing Fees	-	-
9 Interest on Subordinated Liability	60.45	55.10
10 Impairment on financial instruments	184.09	73.02
Operating profit before working capital changes	704.85	1,053.48
Adjustments for : -		
1 Trade and Other Receivables	(1,899.75)	41.96
2 Trade Payable	2,229.69	1,145.74
3 Long Term Loans & Advances	749.19	7,093.34
Cash Generated from operation	1,783.98	9,334.52
Less: Income tax paid		
Cash Flow Before extraordinary items	1,783.98	9,334.52
Extraordinary items		
Net cash from/ (used) in operating activities	1,783.98	9,334.52
B. Cash flow from investing activities		
1 Purchase of Fixed Assets	(13.90)	(90.50)
2 Sale of Fixed Assets	-	-
3 Interest Received	30.67	23.23
4 Investment	(192.10)	(10.21)
Net cash from/ (used) in investing activities	(175.33)	(77.48)
C. Cash flow from financing activities		
1 Proceeds from issue of Share Capital/Debtenture	-	-
2 Repayment /Proceeds from Long and Short Term Borrowings	832.90	(7,037.03)
3 Interest Paid	(290.06)	(892.77)
4 (Purchase)/Sale of Investment	-	-
5 Lease Payment	42.48	(364.80)
Net Cash from financing activities	585.32	(8,294.60)
Net increase in Cash and Cash equivalents (A+B+C)	2,193.97	962.44
Cash and Cash equivalents as (Opening Balance)	4,373.82	3,411.38
Cash and Cash equivalents as (Closing Balance)	6,567.79	4,373.82

For S. Jawahar & Associates

Chartered Accountants
FRN NO:006232SS. Jawahar
Partner
M.NO 201098Chennai
Date: 25 June 2021

For and on behalf of the Board of Directors

Chandra Prakash Khandelwal
Managing DirectorAnil Bhagchandani
CFOShweta Sharma
Company SecretaryMumbai
Date: 25 June 2021

Systematix Corporate Services Limited

Statement of change in equity for the year ended 31 March 2021

(A) Share capital

(₹ in Lakhs)

Particular	Equity share capital
As at 31 March 2019	1,298.03
Changes in equity share capital	-
As at 31 March 2020	1,298.03
Changes in equity share capital	-
As at 31 March 2021	1,298.03

(B) Other equity

1. Reserve and Surplus

(₹ in Lakhs)

Particular	Capital reserve	Securities premium	General reserve	Reserve fund	Retained earnings	Total
As at 31 March 2019	228.64	1,865.02	348.19	278.55	3,971.88	6,692.27
Changes in equity during the year						
Transfer from Retained earnings	-	-	-	2.03	(2.03)	-
Loss for the year	-	-	-	-	(444.90)	(444.90)
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	-	(1.29)	(1.29)
As at 31 March 2020	228.64	1,865.02	348.19	280.58	3,523.66	6,247.35
As at 31 March 2020	228.64	1,865.02	348.19	280.58	3,523.66	6,247.35
Changes in equity during the year						
Transfer from Retained earnings	-	-	-	1.67	(1.67)	-
Loss for the year	-	-	-	-	131.64	131.64
Remeasurement of the net defined benefit liability/ asset (net of tax effect)	-	-	-	-	31.55	31.55
As at 31 March 2021	228.64	1,865.02	348.19	282.25	3,685.18	6,410.54

The above balance sheet should be read in conjunction with the accompanying notes.

In terms of our report attached
For S. Jawahar & Associates
 Chartered Accountants
 FRN NO:006232S

S. Jawahar
 Partner
 M.NO 201098

Chennai
 Date: 25 June 2021

For and on behalf of the Board of Directors

Chandra Prakash Khandelwal
 Managing Director

Anil Bhagchandani
 CFO

Shweta Sharma
 Company Secretary

Mumbai
 Date: 25 June 2021

Systematix Corporate Services Limited

Notes to and forming part of the consolidated financial statement

1) Corporate information

Systematix Corporate Services Limited ('the Company' or 'the Parent Company') is a Public Limited Company incorporated in India with its registered office located at at 206-207, Bansil Trade Centre 581/5 M.G.Road, Indore - 452001. The Company is registered as category I Merchant banker with Security Exchange Board of India (SEBI) and primarily engaged in Merchant Banking Activities.

These consolidated financial statements comprise the Company and its subsidiaries (hereinafter collectively referred to as "the Group").

The Group is engaged into Merchant Banking activities, Broking house and lending and related activities.

These consolidated financial statements were authorised for issue by the board of directors on 25 June, 2021.

2) Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these consolidated financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

i) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.

ii) Historical cost convention

The consolidated financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities that is measured at fair value;
- defined benefit plans - plan assets measured at fair value.

iii) Summary of significant accounting policies**a) Principles of consolidation****i) Subsidiaries**

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at 31 March 2021. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Systematix Corporate Services Limited**Notes to and forming part of the consolidated financial statement**

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Parent Company, i.e., 31 March 2021. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the standalone financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

Consolidation procedure:

- Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and property, plant and equipment, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

ii) Non-controlling interests (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the

Systematix Corporate Services Limited**Notes to and forming part of the consolidated financial statement**

equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

iii) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity. The share of non-controlling interest is restricted to the extent of contractual obligation of the Group.

When the Group ceases to consolidate or equity account for an investment because of loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in the consolidated statement of profit and loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest in joint venture or financial asset.

b) Property, plant and equipment:

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.

Depreciation method, estimated useful life and residual value:

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:

• 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

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

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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) 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 Group 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.

d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, 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.

e) Impairment of assets:

Goodwill and 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 other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

f) 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 Group becomes a party to the contractual provisions of the instrument.

Financial Assets:**Classification**

The Group 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

Systematix Corporate Services Limited**Notes to and forming part of the consolidated financial statement**

- 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 Group 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

Debt instruments

Debt instruments are subsequently measured at amortized cost, fair value through other comprehensive income ('FVOCI') or fair value through profit or loss ('FVTPL') till de-recognition on the basis of (i) the entity's business model for managing the financial assets and (ii) the contractual cash flow characteristics of the financial asset.

The Group classifies its debt instruments into three measurement categories:

- **Amortized Cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. A gain or loss on a debt investment that is subsequently measured at amortized cost is recognized in the Statement of Profit and Loss when the asset is derecognized or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.
- **Fair Value through Other Comprehensive Income (FVOCI):** Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses, which are recognized in the Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to profit or loss and recognized in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

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- Fair Value through Profit or Loss (FVTPL): Assets that do not meet the criteria for amortized cost or FVOCI are measured at FVTPL. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognized in profit or loss in the period in which it arises. Interest income from these financial assets is recognized in the Statement of profit and loss.

Impairment of Financial Assets

In accordance with Ind AS 109, the Group applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Group recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction.

At each reporting date, the Group assesses whether the loans have been impaired. The Group 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 Group recognises life time expected credit loss for trade receivables and has adopted the simplified method of computation as per IndAS 109. The Group considers outstanding overdue for more than 90 days for calculation of expected credit loss. 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 Group 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 Group 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 Group has not retained control of the financial asset. Where the Group 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.

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Notes to and forming part of the consolidated financial statement

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.

Income Recognition**Interest income**

Interest income from debt instruments is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset.

Dividend income

Dividend income is recognised when the right to receive payment of the dividend is established, it is probable that the economic benefits associated with the dividend will flow to the Group and the amount of the dividend can be measured reliably.

g) Equity instruments

The Group measures all equity investments at initial recognition and subsequently at fair value. Where the Group management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the Group right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

h) Trade and other payables

These amounts represent liabilities for goods and services provided to the Group 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.

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Notes to and forming part of the consolidated financial statement

i) 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 remeasured.

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 Group 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 group 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.

j) 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 Group or the counterparty.

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Notes to and forming part of the consolidated financial statement

k) 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 expensed in the period in which they are incurred.

l) Provisions, contingent liabilities and contingent assets**i) Provisions**

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of 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.

ii) Contingent liabilities

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 Group, 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.

iii) Contingent assets

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.

m) 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

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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 IndAS 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. Brokerage income

Revenue from contract with customer is recognised point in time when performance obligation is satisfied. Income from broking activities is accounted for on the trade date of transactions.

iii. Portfolio management fees

Portfolio Management Fees are accounted over a period of time as follows:

Performance obligations are satisfied over a period of time and portfolio management fees are recognised in accordance with the Portfolio Management Agreement entered with respective clients i.e., as per pre-decided percentage over the portfolio managed by company.

iv. Other heads

In respect of other heads of Income it is accounted to the extent it is probable that the economic benefits will flow and the revenue can be reliably measured, regardless of when the payment is being made.

Systematix Corporate Services Limited

Notes to and forming part of the consolidated financial statement

n) Foreign currency translation

Transactions in foreign currency are accounted at the exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss except to the extent of exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings that are directly attributable to the acquisition or construction of qualifying assets, are capitalized as cost of assets.

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).

o) Leases**As a lessee**

The Group's lease asset classes primarily consist of leases for land and buildings. The Group 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset. At the date of commencement of the lease, the Group 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 and low value leases, the Group 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. 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

Systematix Corporate Services Limited**Notes to and forming part of the consolidated financial statement**

(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 Group 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.

As a lessor

Leases for which the Group 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. When the Group 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.

p) 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 Group operates the following post-employment schemes.

- Defined benefit plan i.e. gratuity

Gratuity obligations

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.

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Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

They are included in retained earnings in the statement of changes in equity and in the balance sheet.

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.

q) 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 Group:

- 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 Group 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.

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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 Group:

- 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.

r) Earnings per share**i) Basic earnings per share**

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Parent 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

s) 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 Group are segregated based on the available information.

t) 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

Systematix Corporate Services Limited

Notes to and forming part of the consolidated financial statement

identified as the Director which makes strategic decisions.

u) Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakh as per the requirement of Schedule III, unless otherwise stated.

v) Critical estimates and judgements

In the application of the Group's accounting policies, which are described in Note 2, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical estimates and judgements that have the significant effect on the amounts recognised in the financial statements.

Useful lives of property, plant and equipment

As described in Notes 2.iii (a) above, the Group reviews the estimated useful lives of property, plant and equipment at the end of each reporting period. There was no change in the useful life of property, plant and equipment as compared to previous year.

Contingencies

In the normal course of business, contingent liabilities may arise from litigation and other claims against the Company. Guarantees are also given in the normal course of business. There are certain obligations which management has concluded based on all available facts and circumstances are treated as contingent liabilities and disclosed in the Notes but are not provided for in the financial statements. Although there can be no assurance of the final outcome of the legal proceedings in which the Group is involved it is not expected that such contingencies will have a material effect on its financial position or profitability.

Income taxes

In preparing the financial statements, the Group recognizes income taxes in each of the jurisdictions in which it operates. There are many transactions and calculations for which the ultimate tax determination is uncertain. The Group recognises liabilities for anticipated tax issues based on estimates of whether additional taxes will be due. The uncertain tax positions are measured at the amount expected to be paid to taxation authorities when the Group determines that the probable outflow of economic resources will occur. Where the final tax outcome of these

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matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

Impairment of financial assets

The impairment provisions for financial assets are based on assumption about risk of default and expected loss rates. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculations, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Defined benefit obligations

The present value of defined benefit obligations is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period that have terms approximating to the terms of the related obligation.

w) Details of subsidiaries and joint ventures

The consolidated financial statements includes the audited financial statements of the following entities, which are controlled directly or indirectly by the Company:

Name of the Company	Country of Incorporation	% Holding as at 31 March 2021	Control and share of profit / loss as at 31 March 2021
Systematix Fincorp India Limited	India	100 %	100 %
Systematix Finvest Private Limited	India	100 %	100 %
Systematix Shares and Stocks (India) Limited	India	100 %	100 %
Systematix Commodities Services Private Limited	India	100 %	100 %
Systematix Ventures Private Limited	India	100 %	100 %
Divisha Alternative Investments LLP	India	51%	51%

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Notes forming part of the consolidated financial statements (contd...)

3 Cash and cash equivalents

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Cash in hand	3.51	5.89
Balances with banks		
- In current accounts	1,353.87	1,383.68
Total	1,357.38	1,389.57

4 Bank balances other than above

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
In Deposit Account offered as Security/Margin	5,204.41	2,584.46
Other Bank Balances	-	-
Total	5,204.41	2,584.46

5 Trade receivables

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Receivable considered good - secured	-	-
Receivable considered good - unsecured	-	-
- from related parties	-	-
- from others	803.53	508.69
Receivable which have significant increase in credit risk	263.31	140.20
Receivable - credit impaired	69.20	13.05
Less: Impairment Allowance	(114.36)	(80.39)
Total	1,021.68	581.55

Reconciliation of impairment allowance on trade receivable

Particular	(₹ in Lakhs) Amount
Impairment allowance measured as per simplified approach	
As at 31 March 2019	7.37
Add: Addition during the year	73.02
Less: Reduction during the year	-
As at 31 March 2020	80.39
Add: Addition during the year	147.84
Less: Reduction during the year	(113.86)
As at 31 March 2021	114.36

Trade receivable	Current	181-360 days	1 to 2 years	2 to 3 years	More than 3 years	Total
ECL rate	0%	10.00%	25.00%	30.00%	100.00%	
As at 31 March 2020						
Estimated total gross carrying amount at default	438.53	11.81	145.74	6.14	59.73	661.94
ECL - Simplified approach	-	0.54	55.15	-	24.70	80.39
Net carrying amount	438.53	11.27	90.59	6.14	35.03	581.55
As at 31 March 2021						
Estimated total gross carrying amount at default	842.36	86.13	135.45	33.01	59.09	1,156.04
ECL - Simplified approach	-	7.45	32.39	28.60	45.94	114.36
Net carrying amount	842.36	78.68	103.07	4.41	13.16	1,021.68

6 Other receivables

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Receivable considered good - secured	-	-
Receivable considered good - unsecured	-	-
- from related parties	-	-
- from others	-	5.26
Receivable which have significant increase in credit risk	-	-
Receivable - credit impaired	-	-
Total	-	5.26

Reconciliation of impairment allowance on other receivable

Particular	(₹ in Lakhs) Amount
Impairment allowance measured as per simplified approach	
As at 31 March 2019	-
Add: Addition during the year	-
Less: Reduction during the year	-
As at 31 March 2020	-
Add: Addition during the year	-
Less: Reduction during the year	-
As at 31 March 2021	-

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

(₹ in Lakhs)

Other receivable	0-180 days	181-360 days	1 to 2 years	2 to 3 years	More than 3 years	Total
ECL rate	NIL	10.00%	25.00%	30.00%	100.00%	
As at 31 March 2020						
Estimated total gross carrying amount at default	5.26	-	-	-	-	5.26
ECL - Simplified approach	-	-	-	-	-	-
Net carrying amount	5.26	-	-	-	-	5.26
As at 31 March 2021						
Estimated total gross carrying amount at default	-	-	-	-	-	-
ECL - Simplified approach	-	-	-	-	-	-
Net carrying amount	-	-	-	-	-	-

7

Particular	As at 31 March 2021	As at 31 March 2020
At amortised cost		
A) Loan Repayable on demand	3,844.14	4,469.77
Total gross	3,844.14	4,469.77
Less: Impairment Loss Allowance	123.57	-
Total	3,720.58	4,469.77
Security details		
(i) Secured against shares	592.83	139.54
(i) Unsecured	3,251.31	4,330.23
Total gross	3,844.14	4,469.77
Less: Impairment loss allowance	(123.57)	-
Total net	3,720.58	4,469.77
Geographical details		
(i) Loans in India		
(a) Public sector		
(b) Others		
- Corporates	3,251.31	3,642.93
- Retail	592.83	686.84
(ii) Loans outside India	-	-
Total gross	3,844.14	4,469.77
Less: Impairment loss allowance	123.57	-
Total net	3,720.58	4,469.77

8

Particulars	As at 31 March 2021 Amount (₹ in Lakhs)	As at 31 March 2020 Amount (₹ in Lakhs)
A) Investments		
Mutual Funds (Fair value through Profit and Loss)	191.28	11.13
Equity Instruments (Fair Value through profit and loss)	144.28	124.59
Other Investments		
Investment in Divisha Alternative Investments LLP	5.60	-
Debentures, Unquoted (at amortised cost)	-	-
10% Debenture of Skitish Realtors Private Limited	200.00	200.00
Total (A)	541.16	335.72
(i) investments outside India	-	-
(ii) Investments in India	541.16	335.72
Total (B)	541.16	335.72
Less:		
Allowance for impairment Loss	-	-
Total	541.16	335.72
Aggregate value of Investments	As at 31 March 2021	As at 31 March 2020
Particulars		
Aggregate book value of quoted investments	335.56	135.72
Aggregate market value of quoted investments	335.56	135.72
Aggregate book value of unquoted investments	205.60	200.00
Total	541.16	335.72

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

9 Other financial assets

Particular	As at 31 March 2021	As at 31 March 2020
Accrued income	237.64	40.02
Deposits	3,616.68	2,293.92
Interest receivable	-	-
Others	32.42	49.10
Total	3,946.74	2,383.04

10 Current tax assets (net)

Particular	As at 31 March 2021	As at 31 March 2020
Advance payment of income tax	399.23	552.18
Total	399.23	552.18

11 Deferred tax assets

Particular	As at 31 March 2021	As at 31 March 2020
Deferred tax liability on account of:		
- Depreciation and amortization due to timing difference	3.76	2.20
- Others	-	-
Total Deferred tax liability	3.76	2.20
Deferred tax assets on account of:		
- Depreciation and amortization due to timing difference	16.04	0.63
- Additional contribution to gratuity plan assets	19.07	38.68
- Provision for Gratuity	-	-
- Provision for standard assets	2.26	1.26
- Provision for bad and doubtful debts	30.69	13.47
- Expected credit loss	7.88	6.54
- Right to use assets	0.35	0.48
- Others	12.03	4.81
Total Deferred tax assets	78.62	66.87
Net Deferred tax assets (A)	74.77	64.66
MAT Credit entitlement (B)	-	-
Total (a+b)	74.77	64.66

Movement in deferred tax balances

(₹ in Lakhs)

Particular	As at 31 March 2020	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at 31 March 2021
Deferred tax liability on account of:				
- Depreciation and amortization due to timing difference	2.20	1.54	-	3.76
- Others	-	-	-	-
Total Deferred tax liability	2.20	1.54	-	3.76
Deferred tax assets on account of:				
- Depreciation and amortization due to timing difference	0.63	(15.41)	-	16.04
- Additional contribution to gratuity plan assets	38.68	20.57	(0.37)	19.07
- Provision for standard assets	1.26	(1.00)	-	2.26
- Provision for bad and doubtful debts	13.47	(7.44)	-	20.69
- Expected credit loss	6.54	(1.34)	-	7.88
- Right to use assets	0.48	0.13	-	0.35
- Others	4.81	(7.22)	-	12.03
Total Deferred tax assets	66.87	(11.24)	(0.37)	78.62
Deferred tax assets (net)	64.66	(9.70)	(0.37)	74.77

(₹ in Lakhs)

Particular	As at 31 March 2019	Charged/ (credited) to profit and loss	Charged/ (credited) to OCI	As at 31 March 2020
Deferred tax liability on account of:				
- Depreciation and amortization due to timing difference	5.75	(3.55)	-	2.20
- Others	-	-	-	-
Total Deferred tax liability	5.75	(3.55)	-	2.20
Deferred tax assets on account of:				
- Depreciation and amortization due to timing difference	10.71	10.08	-	0.63
- Additional contribution to gratuity plan assets	1.67	(37.44)	(0.37)	38.68
- Provision for standard assets	2.79	1.53	-	1.26
- Provision for bad and doubtful debts	20.75	7.28	-	13.47
- Expected credit loss	-	(6.54)	-	6.54
- Right to use assets	5.17	2.69	-	0.48
- Others	10.45	5.64	-	4.81
Total Deferred tax assets	49.74	(16.70)	(0.37)	66.87
Deferred tax assets (net)	44.00	(20.25)	(0.37)	64.66

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

12 Property, plant and equipment

(₹ in Lakhs)

Particular	Right to use assets - Lease building	Building	Plant and equipments	Furniture and fixtures	Vehicles	Total
Gross carrying amount						
As at 1st April, 2020	913.99	14.15	789.29	303.48	230.11	2,251.01
Additions	-	-	39.35	-	-	39.35
Deductions and adjustments	(667.32)	-	(2.31)	-	-	(669.63)
As at 31 March 2021	246.67	14.15	826.33	303.48	230.11	1,620.73
Accumulated depreciation and impairment						
As at 1st April, 2020	849.25	4.31	681.77	239.05	95.78	1,870.16
Depreciation charged during the year	22.77	2.24	29.29	20.15	22.40	96.85
Adjustments	-	-	-	-	-	-
Disposals	(538.14)	-	(1.48)	-	-	(539.62)
As at 31 March 2021	233.89	6.54	709.58	259.20	118.18	1,327.39
Net carrying amount As at 31 March 2021	12.78	7.61	116.75	44.28	111.92	293.34

(₹ in Lakhs)

Particular	Right to use assets - Lease building	Building	Plant and equipments	Furniture and fixtures	Vehicles	Total
Gross carrying amount						
As at 1st April, 2019	1,026.96	14.15	769.95	302.98	230.11	2,344.15
Additions	77.37	-	19.23	0.49	-	97.10
Deductions and adjustments	(192.34)	-	0.10	-	-	(192.24)
As at 31 March 2020	913.99	14.15	789.29	303.48	230.11	2,251.01
Accumulated depreciation and impairment						
As at 1st April, 2019	526.37	2.06	641.04	216.95	73.30	1,459.72
Depreciation charged during the year	488.61	2.24	40.63	22.10	22.48	576.07
Adjustments	26.61	-	-	-	-	26.61
Disposals	(192.34)	-	0.09	-	-	(192.24)
As at 31 March 2020	849.25	4.31	681.77	239.05	95.78	1,870.16
Net carrying amount As at 31 March 2020	91.34	9.85	107.52	64.42	134.32	380.85

13 Intangible assets

(₹ in Lakhs)

Particular	Goodwill on Consolidation	Membership in BSE	Computer software	Membership license	Total
Gross carrying amount					
As at 1st April, 2020	309.46	277.00	397.02	20.00	1,003.48
Additions	-	-	4.56	-	4.56
Deductions and adjustments	-	-	-	-	-
As at 31 March 2021	309.46	277.00	401.58	20.00	1,008.04
Accumulated depreciation and impairment					
As at 1st April, 2020	-	277.00	369.51	2.74	649.25
Depreciation charged during the year	-	-	4.36	3.76	8.13
Disposals	-	-	-	-	-
As at 31 March 2021	-	277.00	373.87	6.50	657.38
Net carrying amount As at 31 March 2021	309.46	-	27.70	13.50	350.66

(₹ in Lakhs)

Particular	Goodwill on Consolidation	Membership in BSE	Computer software	Membership license	Total
Gross carrying amount					
As at 1st April, 2019	309.46	277.00	397.02	-	983.48
Additions	-	-	-	20.00	20.00
Deductions and adjustments	-	-	-	-	-
As at 31 March 2020	309.46	277.00	397.02	20.00	1,003.48
Accumulated depreciation and impairment					
As at 1st April, 2019	-	277.00	361.50	-	638.50
Depreciation charged during the year	-	-	8.01	2.74	10.75
Disposals	-	-	-	-	-
As at 31 March 2020	-	277.00	369.51	2.74	649.25
Net carrying amount As at 31 March 2020	309.46	-	27.51	17.26	354.23

14 Other non-financial assets

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
Prepaid/Advance for expenses	60.27	65.58
Advance salary	5.87	11.21
Advance to vendors	0.84	7.91
Balance with government authorities	179.62	180.55
Others	0.57	-
Total	247.17	265.24

Systematix Corporate Services Limited

Notes forming part of the consolidated financial statements (contd...)

15 Payable

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
(i) Trade payable		
total outstanding dues of micro enterprises and small enterprises	-	-
total outstanding dues of other than micro enterprises and small enterprises	5,378.79	3,061.50
	5,378.79	3,061.50
(ii) Other payable		
total outstanding dues of micro enterprises and small enterprises	-	-
total outstanding dues of other than micro enterprises and small enterprises	7.64	0.87
	7.64	0.87
Total	5,386.43	3,062.37

Disclosures requirement under section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
(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	-	-
(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,	-	-
(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	-	-

16 Borrowings (other than debt securities)

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Secured		
a) Term loans		
From Bank	1,558.55	1,302.65
From others	-	513.38
b) Loan repayable on demand		
From Bank	1,265.99	66.24
From others-Loan against shares	-	-
c) Vehicle loan	38.38	67.45
Unsecured		
d) Loan from related Party	-	25.00
Total	2,862.92	2,954.72
Borrowings in India	2,862.92	2,954.72
Borrowings outside India	-	-
Total	2,862.92	2,954.72

Details of borrowings

Details of terms of repayment and security provided:

Particulars	Security	Coupon Rate	(₹ in Lakhs)	
			As at 31 March 2021	As at 31 March 2020
From Bank - overdraft facilities	Secured against term deposit	In the range of 8 % to 9 %	89.90	64.52
Vehicle loan	Secured against vehicle	In the range of 8 % to 9 %	-	7.78
Term loans - Unsecured	Unsecured	In the range of 10% to 10%	-	513.38
Loan from Yes Bank		Floating interest rate @10.50% linked with 6 months Certificate of Deposit rate published by RBI	223.12	237.64
Loan from Yes Bank	Residential property owned by Giddling Exports Private Limited	Floating interest rate @9.80% linked with Marginal Cost of Funds Lending Rate	1,088.07	1,125.13
Loan from Yes Bank		Floating interest rate @8.55% linked with Marginal Cost of Funds Lending Rate	247.38	-
Vehicle loan	Secured against term deposit	In the range of 7% to 8%	38.38	50.66
Loan repayable on demand	Secured against term deposit	11.5 % to 13.5 %	1,199.78	1.71
Loan from related party	Unsecured	Interest free	-	25.00
			2,862.92	2,954.72

Terms of repayment

Particulars	Terms of repayment	(₹ in Lakhs)		
		Less than 12 months	1-5 years	More than 5 years
From Bank - overdraft facilities	On demand	89.90	-	-
Loan from Yes Bank	121 monthly instalments starting from January 2020	38.85	155.45	148.97
Loan from Yes Bank	191 monthly instalments starting from April 2018	148.07	696.27	1,173.58
Loan from Yes Bank	36 monthly instalments starting from September 2021	64.24	229.20	-
Vehicle loan	60 Equal Monthly Instalments starting from	24.10	18.68	-
Loan repayable on demand	On demand	1,199.78	-	-
				1,396.78

Systematix Corporate Services Limited

Notes forming part of the consolidated financial statements (contd.)

17 Subordinated Liabilities

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
At amortised cost		
Preference shares		
2,50,00,000 Non Convertible Redeemable Preference Shares Rs. 10/- each	683.64	623.19
Total	683.64	623.19

Details of subordinated liabilities

(₹ in Lakhs)

Particulars	Maturity Date	Terms of repayment	Coupon Rate	As at 31 March 2021	As at 31 March 2020
Preference Shares					
2,50,00,000 Non Convertible Redeemable Preference Shares of Rs. 10/- each	30 March 2015	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	683.64	623.19

Notes:

1) 2,50,00,000 Non convertible Redeemable Preference Shares were issued for consideration other than cash.

18 Other financial liabilities

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
Deposit from VAST	0.75	0.75
Deposits from Ramtara	134.22	132.62
Other Deposit	-	-
Employee benefits payable	19.56	17.98
Accrued interest but not Due	-	-
Lease Liability	14.16	54.63
Total	168.73	216.03

19 Provisions

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
Provision for employee benefits:		
- Gratuity	75.74	109.34
Provision for NPA	3.39	-
Provision for standard assets	5.57	14.26
Total	84.70	123.59

Information about provision and significant estimates

Movement in provisions against standard assets

(₹ in Lakhs)

Balance as on 31 March 2019	28.71
Reversal of provision no longer required	(14.45)
Provision as on 31 March 2020	14.26
Reversal of provision no longer required	(8.69)
Provision as on 31 March 2021	5.57

Employee Benefit Obligation

Defined contribution plans

During the year the Group has made contribution of Rs 33.72 lakhs (previous year: Rs 22.73 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
As at 31 March 2019	214.86	127.42	87.24
Current service cost	51.06	-	51.06
Past service cost	-	-	-
Interest expense/(income)	14.40	0.82	4.67
Total amount recognised in profit and loss	65.55	0.82	55.73
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)	-	(0.54)	0.54
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	9.01	-	9.01
Experience (gains)/losses	(7.88)	-	(7.88)
Actual Return on Plan assets	-	-	-
Total amount recognised in other comprehensive income	1.13	(0.54)	0.66

Systematix Corporate Services Limited

Notes forming part of the consolidated financial statements (contd...)

Employer contributions	-	35.30	(35.30)
Benefit payments	(8.88)	(8.88)	-
As at 31 March 2020	281.99	172.65	109.34

(₹ in Lakhs)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at 31 March 2020	281.99	172.65	109.34
Current service cost	48.10	-	48.10
Past service cost	-	-	-
Interest expense/(income)	14.39	6.05	8.34
Total amount recognised in profit and loss	62.49	6.05	54.44

Remeasurements

Return on plan assets, excluding amount included in interest expense/(income)	-	1.99	(1.99)
(Gain)/loss from change in demographic assumptions	(0.09)	-	(0.09)
(Gain)/loss from change in financial assumptions	2.33	-	2.33
Experience (gains)/losses	(42.79)	-	(42.79)
Actual Return on Plan assets	-	-	-
Total amount recognised in other comprehensive income	(40.51)	1.99	(42.59)

Employer contributions	-	49.90	(49.90)
Benefit payments	8.91	8.91	-
Transfer to receivables	-	2.79	2.79
Others	2.62	4.19	1.57
As at 31 March 2021	292.44	216.70	75.74

(₹ in Lakhs)

Particulars	As at 31 March 2021	As at 31 March 2020	Net amount
Present value of funded obligations	292.44	281.99	214.66
Fair value of plan assets	216.70	172.65	127.42
Deficit of funded plan	75.74	109.34	87.25

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Mortality

Particulars	As at 31 March 2021	As at 31 March 2020
Discount rate	6.45%	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)	IALM (2006-08)
	U/R	U/R

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 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Discount rate	+/- 1%	+/- 1%	(22.36)	6.49	35.22	30.22
Salary escalation rate	+/- 1%	+/- 1%	5.56	43.12	(14.97)	10.58

Risk Exposure

These plans typically expose the Group to actuarial risks such as: Longevity risk and salary risk.

Maturity Analysis

Particulars	Less than a year	Between 2-5 yrs	Between 6-10 yrs	Over 10 yrs	Total
As at 31 March 2021					
Defined Benefit Obligation	56.77	56.57	115.30	24.80	253.44
Total	56.77	56.57	115.30	24.80	253.44
As at 31 March 2020					
Defined Benefit Obligation	49.86	75.79	86.40	63.42	275.49
Total	49.86	75.79	86.40	63.42	275.49

29 Other non-financial liabilities

(₹ in Lakhs)

Particular	As at 31 March 2021	As at 31 March 2020
Other Payables	2.34	-
- Statutory remittances (Contributions to PF, Service Tax, GST etc.)	171.37	135.21
Total	173.71	135.21

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

21 Equity Share Capital

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
(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

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 2021		As at 31 March 2020	
	No. of Shares	Amount (₹ in Lakhs)	No. of Shares	Amount (₹ in Lakhs)
Opening Balance	1,29,80,258	1,298.03	1,29,80,258	1,298.03
Fresh issue	-	-	-	-
Buy Back	-	-	-	-
Closing Balance	1,29,80,258	1,298.03	1,29,80,258	1,298.03

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 2021		As at 31 March 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Superstar Exports Pvt. Ltd	88,58,862	68.25	88,58,862	68.25
Shashikant Jain	10,76,390	8.48	11,01,390	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 maximising 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

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Transfer Balances from SOGIE and show only Closing Balance		
(i) Reserve Surplus		
Capital Reserve	226.64	226.64
Securities Premium	1,665.02	1,665.02
Reserve Fund (u/s 45 -IC of the Reserve Bank of India, Act 1934)	282.25	280.58
General reserves	348.19	348.19
Retained Earnings	3,695.17	3,523.86
Total	6,405.27	6,246.68

Nature and purpose of each reserve

Capital Reserve	Capital reserve is created out of Share 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.
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.

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

23 Interest income

(₹ in Lakhs)

Particular	Year ended 31 March 2021	Year ended 31 March 2020
(a) On financial assets measured at fair value through OCI	-	-
(b) On financial assets measured at amortised cost		
Interest on loans	573.19	1,525.67
Interest income from investments	-	-
Interest on deposits	1.95	173.85
Other interest income	228.73	254.47
(c) On financial assets classified at fair value through profit or loss	-	-
Total	803.87	1,953.99

24 Service income

(₹ in Lakhs)

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Financial Advisory Services	846.26	359.17
Brokerage income	3,337.39	1,986.62
Service income	429.03	833.98
Total	4,612.68	3,179.77

There are no unsatisfied long term contracts.

25 Net loss / (Gain) on fair value changes

(₹ in Lakhs)

Particular	Year ended 31 March 2021	Year ended 31 March 2020
On financial assets	(13.32)	75.88
Total	(13.32)	75.88

26 Other operating income

(₹ in Lakhs)

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Other operating income	-	0.07
Total	-	0.07

27 Other income

(₹ in Lakhs)

Particular	Year ended 31 March 2021	Year ended 31 March 2020
Excess provision written back	1.45	14.45
Miscellaneous income	140.10	218.18
Exchange Gain and Loss	2.23	-
Derecognition of Lease Asset	1.03	-
Gain on sale of mutual fund	0.01	0.52
Total	144.82	233.15

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

28 Finance costs

(₹ in Lakhs)		
Particular	Year ended 31 March 2021	Year ended 31 March 2020
Interest on borrowings	242.55	843.40
Other borrowing cost	7.81	7.97
Interest on lease liability	4.16	22.55
Interest on Statutory Dues	2.71	0.97
Bank guarantee commission	37.19	40.43
Interest on Subordinated Liability	60.45	55.10
Total	354.88	970.43

29 Impairment on financial instruments

(₹ in Lakhs)		
Particular	Year ended 31 March 2021	Year ended 31 March 2020
Expected credit loss		
Trade receivables	184.09	73.02
Bad debts		
Trade receivables	-	-
Total	184.09	73.02

30 Employee Benefit Expenses

(₹ in Lakhs)		
Particular	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, bonus and allowances	2,585.50	2,632.80
Contribution to provident fund	33.72	22.73
Provision for gratuity	54.44	55.73
Staff welfare expenses	11.93	45.38
Total	2,685.59	2,756.63

31 Depreciation, amortisation and impairment

(₹ in Lakhs)		
Particular	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation and amortisation on property, plant and equipment	105.00	586.82
Total	105.00	586.82

32 Other expenses

(₹ in Lakhs)		
Particular	Year ended 31 March 2021	Year ended 31 March 2020
Rent, taxes and energy costs	530.60	134.08
Repair and maintenance	79.76	77.18
Communication costs	120.79	100.53
Director's fee, allowances and expenses*	8.92	6.88
Auditor's fees and expenses	1.50	2.00
Legal and professional charges	311.68	222.46
Insurance	6.75	7.19
Other expenditure		
Travelling and conveyance	87.27	96.16
Transaction charges	205.56	129.95
Membership and subscription charges	179.92	144.14
Remisery charges	322.45	252.96
Net loss on sale of long-term investments	1.67	17.32
Bad Debts	79.63	12.74
Miscellaneous expenditure	199.43	155.68
Total	2,135.96	1,359.26

* Includes Reverse Charges

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

Details of Auditor's fees and expenses

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
- for Audit Fees	1.50	2.00
- for other services	-	-
Total	1.50	2.00

Repair and Maintenance

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Repairs to Machinery	-	-
Repairs to Building	26.13	32.36
Other Repairs and Maintenance	53.63	44.82
Total	79.77	77.18

33 Tax expenses

Particular	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Current tax		
- Current tax	24.88	23.36
- Earlier year	(28.42)	(13.28)
- MAT credit	-	-
	(3.54)	10.08
Deferred tax	(21.07)	(20.25)
Total	(24.61)	(10.17)

Reconciliation of current rate of tax and effective rate of tax:

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Profit before income tax	107.03	(455.06)
Enacted tax rates in India (%)	25.17%	26.00%
Computed expected tax expenses	26.94	(118.32)
Change in opening deferred tax assets due to change in rate	2.07	0.37
Difference in earlier year IT depreciation between considered for accounting purpose and claimed under IT Act	-	(0.52)
Tax expenses pertaining to earlier years	-	(13.28)
Permanent difference on which deferred tax assets/liability not created	15.24	14.22
Brought forward loss of previous year adjusted against current year loss and on which no deferred tax assets was created	(34.55)	-
Previous year unabsorbed depreciation utilised during the year on which no DTA was created	(50.20)	-
Loss for the year on which deferred tax assets not created	26.59	99.52
Deferred tax asset not recognized on impairment allowance	31.10	-
DTA created on gratuity liability acquired due to transfer of employees	(1.34)	-
Tax expenses for earlier year	(28.42)	-
Others	(12.03)	7.82
Income Tax expenses - Net	(24.61)	(10.17)

Temporary differences, unused tax losses and unused tax credit on which deferred tax assets is not recognised

Systematix Corporate Services Limited

Notes forming part of the consolidated financial statements (contd...)

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	423.34	665.08
Impairment allowances	123.57	-
Potential tax benefit @25.17% (P.Y. 26%)	137.66	172.92

34 Earnings per share

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
(i) Basic earnings per share		
Profit attributable to the equity holders of the Company	131.64	(444.90)
Total basic earnings per share attributable to the equity holders of the Company	1.01	(3.43)
(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	1,29,80,258	1,29,80,258

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

35 Contingent liabilities and commitment

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
(i) Contingent liabilities:		
Income Tax Demand Contested in Appeals	250.18	250.18
Service tax matters	47.32	47.32
SIIT matters	-	-

36 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

Particular	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Vehicles	96.63	110.51
Bank balance other than cash and cash equivalents	5204.41	2,851.86

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.

37 Related party transactions

(i) Details of related parties

Description of relationship	Names of related party
Holding Company	Superstar Exports Private Limited
Wholly Owned Subsidiaries	Systematix Fincorp India Limited Systematix Finvest Private Limited Systematix Shares and Stocks (India) Limited Systematix Commodities Services Private Limited Systematix Ventures Private Limited
Presumption of significance influence	Systematix Capital Services Private Limited Ovespeak Real Estate Private Limited Rangsharda Properties Private Limited Shubham Mangalam Real Estate Private Limited Snehvandini Properties Private Limited Telpoint Properties Private Limited Furnish Real Estate Private Limited Topcity Trading Company Private Limited Riteplaza Trading Company Private Limited Magidline 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 Pinnacle Builders and Developers Private Limited Swaraj Apartments Pvt Ltd 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
Key managerial personnel (KMP)	Nikhil Khandelwal Chandre Prakash Khandelwal Anil Bhagchandani Shweta Sharma Vrunda Dhanesha
Relative of KMP	Priyanka Khandelwal
Directors	Anjo Khandelwal Sunit Sarda Shivram Surajmal Khandelwal Sanjay Khandelwal Rakesh Mehta

(ii) Compensation (remuneration to KMP)

		(₹ in Lakhs)			
For the year ended 31 March 2021		Short-term employee benefits	Post-employment benefits	Long-term employee benefits	Total
Chandra Prakash Khandelwal	Director	84.00	-	-	84.00
Nikhil Khandelwal	Director	35.00	-	-	35.00
Anil Bhagchandani	CFO	16.62	-	-	16.62
Shweta Sharma	CS	7.79	-	-	7.79
Vrunda Dhanesha	CS	2.64	-	-	2.64

(iii) Transactions with related parties

		(₹ in Lakhs)	
Nature of Transaction	Name	Year ended 31 March 2021	Year ended 31 March 2020
Director Sitting Fees	Anju Khandelwal	2.00	1.95
	Shriram Surajmal Khandelwal	2.20	1.80
	Sanjay Khandelwal	1.85	1.25
	Rakesh Mehra	2.55	1.45
Reimbursement for MCA Renewal Fees	Shriram Surajmal Khandelwal	0.18	-
	Sanjay Khandelwal	0.18	-
	Rakesh Mehra	0.18	-
Salary Paid	Rahul Khandelwal	7.20	7.20
	Priyanka Khandelwal	6.60	-
Training expenditure incurred on their behalf	Rahul Khandelwal	-	16.35
Professional Fees Paid	S.S Khandelwal and Co	1.50	2.10
Rent Paid	Wonderdream Realties Private Limited	8.75	15.00
	Goldflag Exports Private Limited	8.40	8.40
	Thirdeave Mercantile Company Private Limited	12.00	12.00
	Svaraj Apartments Private Limited	3.00	3.00
	Divisha Developers LLP	57.03	332.80
Loan given	Divisha Developers LLP	399.28	796.70
Interest charged on loan	Divisha Developers LLP	30.95	93.53
Interest on loan received	Divisha Developers LLP	45.18	79.30
Loan given	Divisha Realty LLP	-	3.40
Loan received back	Divisha Realty LLP	-	96.72
Interest charged on loan	Divisha Realty LLP	-	2.23
Loan taken	Chandra Prakash Khandelwal	96.70	135.00
Loan repaid	Chandra Prakash Khandelwal	81.70	110.00
Trading in Securities (paid)	Systematix Distribution Services Pvt Ltd	906.88	-
Trading in Securities (received)	Systematix Distribution Services Pvt Ltd	906.88	-
Professional Fees Paid	Systematix Distribution Services Pvt Ltd	23.04	28.02

(iv) Outstanding balances

		(₹ in Lakhs)	
Nature of transactions		As at 31 March 2021	As at 31 March 2020
Outstanding Preference Shares	Superstar Exports Private Limited	2,500.00	2,500.00
Outstanding Equity Shares	Superstar Exports Private Limited	3,655.85	3,655.85
Deposit	Goldflag Exports Pvt Ltd	225.00	225.00
Loan Granted	Divisha Developers LLP	-	302.25
Interest receivable	Divisha Developers LLP	-	14.23
Loan Taken	Chandra Prakash Khandelwal	-	25.00

(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.

38 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:

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Right to use assets		
Building	12.78	91.34
Total	12.78	91.34
Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Lease liabilities	14.18	64.68
Total	14.18	64.68

(b) Amount recognised in the statement of profit and loss

Right to use assets

Particulars	(₹ in Lakhs)	
	Year ended 31 March 2021	Year ended 31 March 2020
Amortization charge- Building	22.77	438.61
Interest expenses	4.16	22.55
Total	26.94	511.16

(c) Maturity analysis of lease liabilities:

Particulars	(₹ in Lakhs)			
	Carrying amount	Less than 12 months	1-5 years	More than 5 years
Lease liabilities	14.18	15.00	-	-

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

39 Net debt reconciliation :

This section sets out an analysis of net debt and the movements in net debts for the year ended 31 March 2021

Particulars	As at 31 March 2021	As at 31 March 2020
(₹ in Lakhs)		
Secured		
Term loan - From Banks	1558.55	1362.65
Term loan - From Others	0.00	513.38
Loan repayable on demand - From Banks	1,289.89	86.24
Vehicle loan	39.39	87.45
Lease Liability	14.18	64.88
Unsecured		
Loan from related Party	-	25.00
Subordinated Liabilities	683.64	623.19
Account Interest but not Due	-	-
Total net debt	3,585.44	2,742.58

Particular	Terms 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
(₹ in Lakhs)									
Net debt as on 1 April 2019	(1,164.86)	(812.01)	(63.93)	(7,012.11)	(97.31)	(368.13)	-	(568.09)	(10,085.53)
Addition during the year	(236.40)	(982.00)	(1,67,029.97)	(15,145.85)	-	(77.37)	(250.00)	-	(1,83,731.38)
Notional interest cost using EIR method	-	-	-	-	-	(22.55)	-	(55.10)	(77.66)
Interest cost using EIR method	(118.69)	(108.62)	(32.04)	(568.17)	(6.52)	-	-	-	(834.04)
Other charges	-	-	-	(0.18)	-	26.57	-	-	26.39
Amortization of upfront fees	(0.20)	-	-	-	-	-	-	-	(0.20)
Repayment	157.50	1,399.25	1,67,088.50	22,876.61	36.38	376.80	225.00	-	1,91,860.05
Net debt as on 31 March 2020	(1,362.65)	(513.38)	(36.56)	(49.69)	(67.45)	(64.68)	(25.00)	(623.19)	(2,742.58)
Addition during the year	(250.19)	(462.42)	(4,51,542.03)	-	-	-	(56.70)	-	(4,52,341.34)
Notional interest cost using EIR method	-	-	-	-	-	(4.16)	-	(60.45)	(64.61)
Interest cost using EIR method	(144.66)	(41.11)	(14.76)	-	(4.08)	-	-	-	(204.63)
Disposal of Lease Asset	-	-	-	-	-	30.21	-	-	30.21
Other charges	-	-	-	-	-	-	-	-	-
Amortization of upfront fees	(0.57)	-	-	-	-	-	-	-	(0.57)
Repayment	199.52	1,046.91	4,50,353.35	-	32.14	24.45	81.70	-	4,51,738.07
Net debt as on 31 March 2021	(1,558.55)	-	(1,240.01)	(49.69)	(39.39)	(14.18)	-	(683.64)	(3,585.45)

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

40 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

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Profit before tax and interest		
Merchant Banking and Related Activities	224.72	(310.05)
Financing and Other Activities	21.79	1,109.08
Equity, Commodity, Currency and Other Transactional Services	215.20	(283.65)
Total profit before tax and interest	461.71	515.37
Add/less: Adjustments		
Interest cost	(354.68)	(970.43)
Tax (expenses)/income	24.61	10.17
Total consolidated profit after tax	131.65	(444.90)

(ii) Segment revenue

As at 31 March 2021	(₹ in Lakhs)		
	Total segment revenue	Inter- segment revenue	Revenue from external customer
Merchant Banking and Related Activities	1,020.43	83.06	937.37
Financing and Other Activities	647.54	86.02	561.53
Equity, Commodity, Currency and Other Transactional Services	4,225.92	150.11	4,075.80
Total segment revenue	5,893.89	319.20	5,574.70

As at 31 March 2020	(₹ in Lakhs)		
	Total segment revenue	Inter- segment revenue	Revenue from external customer
Merchant Banking and Related Activities	480.30	90.45	389.86
Financing and Other Activities	1,648.20	89.94	1,578.26
Equity, Commodity, Currency and Other Transactional Services	3,767.05	368.05	3,399.00
Total	5,895.56	528.44	5,367.12

(iii) Segment assets

Particulars	(₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Merchant Banking and Related Activities	8,145.86	7,769.12
Financing and Other Activities	4,882.97	6,738.44
Equity, Commodity, Currency and Other Transactional Services	11,567.66	7,780.40
Total segment assets	24,596.49	22,287.96
Add/less: Adjustments		
Inter segment assets	(7,497.29)	(8,521.63)
Total assets	17,099.20	13,766.32

(iv) Segment liabilities

(₹ in Lakhs)

Particulars	As at	As at
	31 March 2021	31 March 2020
Merchant Banking and Related Activities	2,319.66	2,057.16
Financing and Other Activities	1,213.12	2,842.56
Equity, Commodity, Currency and Other Transactional Services	6,896.36	3,426.37
Total segment liabilities	10,429.15	8,326.08
Add/less: Adjustments		
Inter segment assets	(1,044.35)	(2,110.97)
Total liabilities	9,384.79	6,215.11

Systematix Corporate Services Limited
Notes forming part of the consolidated financial statements (contd...)

4.1 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiaries and Joint Ventures (Continued)

Name of the Company	Net Assets, i.e., total assets As % of consolidated net assets (In Lakhs)	Share in profit or loss As % of consolidated profit or loss	Share in other comprehensive income As % of consolidated other comprehensive income	Share in total comprehensive income As % of total comprehensive income	Amount (In Lakhs)
As at 31 March 2021					
Parent	(18.71)	18.21	8.67	2.74	24.08
Systematix Corporate Services Limited	(1,289.35)	21.34			
Subsidiaries					
Indian					
Systematix Fincorp India Limited	25.15	(201.62)	9.88	3.11	(262.30)
Systematix Finvest Private Limited	30.45	180.01	18.60	5.87	242.84
Systematix Shares and Stocks (India) Limited	53.94	121.01	62.87	19.84	179.14
Systematix Commodities Services Private Limited	3.00	(15.15)	-	-	(19.95)
Systematix Ventures Private Limited	0.17	(0.46)	-	-	(0.61)
Consolidation related adjustments	4.01	-	-	-	-
Total	100.00	100.00	100.00	31.55	163.10
As at 31 March 2020					
Parent	(20.11)	105.25	123.36	1.80	(469.84)
Systematix Corporate Services Limited	(1,518.23)	(468.24)			
Subsidiaries					
Indian					
Systematix Fincorp India Limited	17.10	(3.61)	(54.98)	(0.94)	16.88
Systematix Finvest Private Limited	45.04	(89.17)	205.02	2.65	394.07
Systematix Shares and Stocks (India) Limited	50.45	82.30	(163.42)	(2.11)	(364.00)
Systematix Commodities Services Private Limited	3.24	5.06	-	-	(22.49)
Systematix Ventures Private Limited	0.16	0.16	-	-	(0.79)
Consolidation related adjustments	4.10	-	-	-	-
Total	100.00	100.00	100.00	1.30	(446.19)

Systematix Corporate Services Limited

Notes forming part of the consolidated financial statements (contd...)

42 Financial Instruments

(i) Financial Instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2021 is as follows:

(₹ in Lakhs)

Particulars	Carrying value		Fair value			Total
	Amortised cost	FVTPL	Level - 1	Level - 2	Level - 3	
I. Financial assets						
Cash and cash equivalents	1,383.38	-	-	-	1,383.38	1,383.38
Bank balances other than above	5,204.41	-	-	-	5,204.41	5,204.41
Receivables						
(i) Trade receivables	1,021.68	-	-	-	1,021.68	1,021.68
(ii) Other receivables	-	-	-	-	-	-
Loans	3,720.58	-	-	-	3,720.58	3,720.58
Investments	205.60	335.56	335.56	-	205.60	541.16
Other financial assets	3,946.74	-	-	-	3,946.74	3,946.74
Total financial assets	15,462.39	335.56	335.56	-	15,462.39	15,797.95

Financial Liabilities

Payable						
(i) Trade payable						
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- total outstanding dues of other than micro enterprises and small enterprises	5,378.76	-	-	-	5,378.76	5,378.76
(ii) Other payable						
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- total outstanding dues of other than micro enterprises and small enterprises	7.64	-	-	-	7.64	7.64
Borrowings (other than debt securities)	2,887.62	-	-	-	2,887.62	2,887.62
Subordinated Liabilities	683.64	-	-	-	683.64	683.64
Other financial liabilities	168.72	-	-	-	168.72	168.72
Total financial liabilities	9,126.39	-	-	-	9,126.39	9,126.39

The carrying value and fair value of financial instruments by categories as on 31 March 2020 is as follows:

(₹ in Lakhs)

Particulars	Carrying value		Fair value			Total
	Amortised cost	FVTPL	Level - 1	Level - 2	Level - 3	
I. Financial assets						
Cash and cash equivalents	1,389.37	-	-	-	1,389.37	1,389.37
Bank balances other than above	2,084.46	-	-	-	2,084.46	2,084.46
Receivables						
(i) Trade receivables	581.55	-	-	-	581.55	581.55
(ii) Other receivables	5.26	-	-	-	5.26	5.26
Loans	4,469.77	-	-	-	4,469.77	4,469.77
Investments	200.00	135.72	135.72	-	200.00	335.72
Other financial assets	2,383.04	-	-	-	2,383.04	2,383.04
Total financial assets	12,013.45	135.72	135.72	-	12,013.45	12,148.17

Financial Liabilities

Payable						
(i) Trade payable						
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- total outstanding dues of other than micro enterprises and small enterprises	3,061.50	-	-	-	3,061.50	3,061.50
(ii) Other payable						
- total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
- total outstanding dues of other than micro enterprises and small enterprises	0.87	-	-	-	0.87	0.87
Borrowings (other than debt securities)	2,054.72	-	-	-	2,054.72	2,054.72
Subordinated Liabilities	623.19	-	-	-	623.19	623.19
Other financial liabilities	216.03	-	-	-	216.03	216.03
Total financial liabilities	5,956.30	-	-	-	5,956.30	5,956.30

(II) Fair Value Hierarchy

This section explains the judgements 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).

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.

43. 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 2021	114.36
Year ended 31 March 2020	80.39

(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:

Particulars					(₹ in Lakhs)
	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
As at 31 March 2021					
Payable	5,386.41	5,386.41	-	-	5,386.41
Borrowings (other than debt securities)	2,887.62	1,565.95	980.92	1,322.50	3,869.37
Subordinated Liabilities	683.64	-	-	2,500.00	2,500.00
Lease liabilities	14.18	15.00	-	-	15.00
Other financial liabilities	154.54	37.17	-	117.38	154.55
Total	9,126.39	7,004.53	980.92	3,939.88	11,925.33

Particulars					(₹ in Lakhs)
	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
As at 31 March 2020					
Payable	3,062.37	3,062.37	-	-	3,062.37
Borrowings (other than debt securities)	2,054.72	880.25	751.72	1,510.38	3,142.35
Subordinated Liabilities	623.19	-	-	2,500.00	2,500.00
Lease liabilities	64.68	33.70	39.50	-	73.20
Other financial liabilities	151.35	35.78	-	115.57	151.35
Total	5,966.30	4,012.10	791.22	4,125.95	8,929.27

(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:

Particulars	₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Variable rate borrowings	1,558.55	1,424.03
Fixed rate borrowings	1,329.07	630.69
Total borrowings	2,887.62	2,054.72

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:

Particulars	₹ in Lakhs)	
	Increase / (Decrease) in profit before tax	
	Year ended 31 March 2021	Year ended 31 March 2020
Increase in interest rate by 20 basis points (20 bps)	(3.12)	(2.85)
Decrease in interest rate by 20 basis points (20 bps)	3.12	2.85

(b) Price risk

Exposure at the year end is as follow:

Particulars	₹ in Lakhs)	
	As at 31 March 2021	As at 31 March 2020
Investment in mutual funds (Fair Value through profit and loss)	191.28	11.13
Equity instruments (Fair Value through profit and loss)	144.28	124.59
Total	335.56	135.72

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:

Particulars	₹ in Lakhs)	
	Increase / (Decrease) in profit before tax	
	Year ended 31 March 2021	Year ended 31 March 2020
Increase in price by 10%	33.56	13.57
Decrease in price by 10%	(33.56)	(13.57)

44 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 judgement 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.

For S. Jawahar & Associates

Chartered Accountants
FRN NO:0062325

S. Jawahar

Partner
M.NO 201098

Chennai
Date: 25 June 2021

For and on behalf of the Board of Directors

Chandra Prakash Khandelwal
Managing Director

Anil Bhagchandani
CFO

Shweta Sharma
Company Secretary

Mumbai
Date: 25 June 2021

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