

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS

SYSTEMATIX COMMODITIES SERVICES PRIVATE LIMITED

Report on the Audit of Ind AS Financial Statements:

Opinion

1. We have audited the accompanying Ind AS financial statements of **M/s. Systematix Commodities Services Private Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss for the year, (including other Comprehensive income), the Statement of Cash flows, 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 Ind AS financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31 March 2024, the Profit (Including Other Comprehensive Income), the Changes in equity, and its cash flows for the year ended on that date.

Basis of Opinion

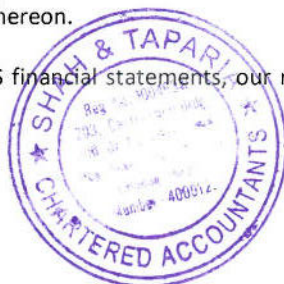
3. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS Financial 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 Ind AS 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 Ind AS financial statements.

Information other than the Ind AS Financial Statements and Auditors reports Thereon

4. The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Director's Report, but does not include the Ind AS financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

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

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

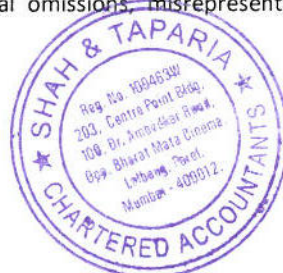
When we will read the Director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibility of Management and Those Charged with Governance for the Financial Statements

5. 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 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 Ind AS 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
6. In preparing the 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.
7. Those Board of Directors are responsible for overseeing the Company's financial reporting process.

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

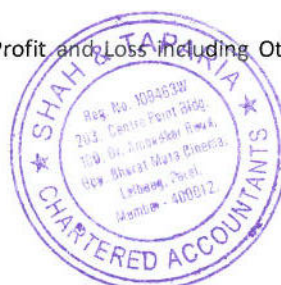
8. Our objectives are to obtain reasonable assurance about whether the Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Ind AS 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 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. Materiality is the magnitude of misstatements in the Ind AS 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.
11. 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.
12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the order.
14. As required by Section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the



Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.

- d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of written representation received from the directors as on 31 March 2024 taken on record by the Board of directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of section 164(2) of the Act.
- f) Since the company's turnover as per the audited financial statements is less than Rs. 50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs. 25 Crores, the company is exempted from getting an audit opinion with respect to the adequacy of the Internal financial control over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017.
- g) 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 Company is a private limited company; hence reporting in respect of compliance under section 197 of the Act is not applicable.
- h) 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:
- The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its financial statements - [Refer Note No. 22].
 - Based on the information and explanations provided to us, the Company does not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses; and
 - There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:



- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or

- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries;
and

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (iv)(i) and (iv)(ii) contain any material mis-statement.

- v. The company has neither declared or paid any dividend during the year, hence reporting in respect of compliance under section 123 of the Act is not applicable
- vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instances of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

For Shah & Taparia
Chartered Accountants
(Firm Regn No 109463W)



Narottam Shah
Partner
M. no: 106355
Place: Mumbai
UDIN No: 24106355BKGFGJ8842
Date: 10 May 2024

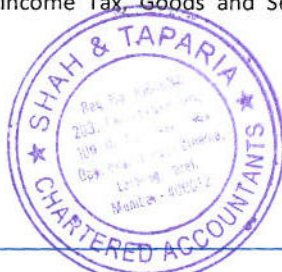


"Annexure A" to the Independent Auditors Report

(referred to in paragraph 13 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended 31 March 2024.)

As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we confirm that:

- i. The Company does not have any Property, plant and equipment or Intangible assets hence in our opinion reporting on clause 3(i)(a) to clause 3(i)(e) of the Companies (Auditor's report) order 2020 is not applicable.
- ii. (a) According to the information and explanations given to us, the company does not have any inventory, Accordingly, reporting on clause 3(ii)(a) of the order is not applicable to the company.
(b) The Company has not been sanctioned working capital limits in excess of five crore rupees by banks or financial institutions on the basis of security of current assets during any point of time of the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. In our opinion and according to information and explanation given to us, the company has not made any investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, reporting under clause 3(iii)(a) to (f) of the Order is not applicable to the company.
- iv. According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given loans, provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013, hence reporting under para 3(iv) of the order are not applicable to the company.
- v. The provisions of the sections 73 to 76 and any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended), are not applicable to the Company being a non-banking financial company registered with the Reserve Bank of India ('the RBI'), and also the Company has not accepted any deposits from public or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act. Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.
- vi. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Companies Act, 2013 for the services provided by the Company. Accordingly, clause 3(vi) of the Order is not applicable.
- vii. According to the information and explanations given to us, in respect of statutory dues:
 - (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
 - (a) According to the information and explanations given to us there were no dues of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other



material statutory dues which have not been deposited by the Company on account of disputes, except as mentioned hereunder:

Name of the Statute	Nature of Dues	Amount ('In lakhs) *	Period to which the amount relates	Forum where dispute is Pending
Income Tax Act, 1961	Tax payable u/s 156	221.68	AY 2012-13	Commissioner of Income Tax Appeals, Mumbai
Income Tax Act, 1961	Tax payable u/s 156	79.41	AY 2013-14	Commissioner of Income Tax Appeals, Mumbai
Income Tax Act, 1961	Tax payable u/s 156	197.60	AY 2014-15	Commissioner of Income Tax Appeals, Mumbai

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act 1961 as income during the year.

(ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of any loans or other borrowings or in the payment of interest thereon to any lender.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

According to the information and explanations given to us by the management, the Company has not obtained term loans during the year.

Based upon the audit procedures performed and the information and explanations given by the management, no funds raised on short term basis have been utilised by the Company for long term purposes.

According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associates as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.

According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associates as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.

(x) The company did not raise any money by way of initial public offer or further public offer including debt instruments. Accordingly, clause 3(x)(a) of the Order is not applicable. Further, during the year the Company has not made any preferential allotment or private placement of shares or convertible debentures. Accordingly reporting under clauses (a) and (b) of paragraph 3(x) of the order is not applicable.

(xi) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report



that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

According to the information and explanations given to us, there were no whistle blower complaints received during the year. Accordingly, clause 3(xi)(c) of the Order is not applicable.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.

(xiv) Based on information and explanation provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) and (b) of the Order is not applicable.

The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

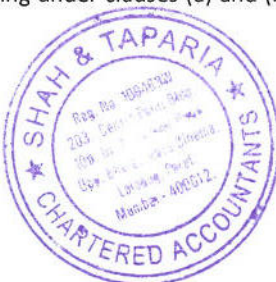
According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Hence reporting under para 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us by the Company, the provisions of Section 135 of the Companies Act 2013 relating to Corporate Social Responsibility are not applicable to the Company. Accordingly reporting under clauses (a) and (b) of clause 3 (xx) of the Order is not applicable to the Company.



(xxi) In our opinion, the Company does not have any subsidiaries or associates or joint ventures. Accordingly, the Company is not required to prepare Consolidated Financial Statements. Hence, reporting under clause 3(xxi) of the Order is not applicable.

For Shah & Taparia
Chartered Accountants
Firm Regn No: 109463W



Narottam Shah
Partner
M. no: 106355
Place: Mumbai
UDIN No: 24106355BKGFGJ8842
Date: 10 May 2024



Systematix Commodities Services Private Limited

CIN: U01119MH1994PTC266348

Balance sheet as at 31 March 2024

(₹ in Lakhs)

Particulars	Note No.	As at 31 March 2024	As at 31 March 2023
ASSETS			
I. Financial assets			
Cash and cash equivalents	3	14.86	8.13
Bank balances other than above	4	346.79	32.66
Receivables			
(i) Trade receivables	5	-	-
Loans	6	-	128.09
Investments			
Other financial assets	7	51.62	52.94
		413.27	221.81
II. Non-financial assets			
Current tax assets (net)	8	9.95	9.61
Deferred tax assets (net)	9	10.28	10.28
Other non-financial assets	10	-	1.11
		20.23	21.00
Total Assets		433.50	242.80
LIABILITIES AND EQUITY			
I. LIABILITIES			
Financial Liabilities			
Payable	11		
(i) Trade payable			
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of Creditors other than micro enterprises and small enterprises		1.44	2.04
Borrowings (other than debt securities)	12	161.23	-
		162.67	2.04
Non-financial Liabilities			
Other non-financial liabilities	13	0.15	-
		0.15	-
II. EQUITY			
Equity Share Capital	14	80.00	80.00
Other equity	15	190.68	160.76
		270.68	240.76
Total Liabilities and Equity		433.50	242.80

See accompanying notes to the financial statements from 1 to 37

In terms of our report of even date attached

For Shah & Taparia
Chartered Accountants
FRN NO:109463W

Narottam Shah
Partner
M NO.106355

10th May, 2024
Place: Mumbai



For and on behalf of the Board of Directors

Nikhil Khandelwal
Director
DIN : 00016387

10th May, 2024
Place: Mumbai

Sunil Sarda
Director
DIN : 00030913



Systematix Commodities Services Private Limited
CIN: U01119MH1994PTC266348
Statement of Profit and Loss for the year ended 31 March 2024

(₹ in Lakhs)

Particulars	Note No.	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from Operations			
Interest income	16	19.24	10.74
Total revenue from operation		19.24	10.74
Other income	17	41.84	0.22
Total income		61.08	10.96
Expenses			
Finance costs	18	14.36	0.01
Other expenses	19	10.26	6.71
Total expenses		24.62	6.72
Profit/(loss) before tax		36.46	4.24
Tax expenses	20		
Current tax		6.53	-
Deferred tax		-	-
Total tax expenses		6.53	-
Profit/(Loss) after tax		29.93	4.24
Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
Other comprehensive income		-	-
Total comprehensive income for the year		29.93	4.24
Earning per Equity Shares of ₹ 10 each (not annualised)	21		
- Basic and Diluted		37.42	5.30

See accompanying notes to the financial statements from 1 to 37
In terms of our report of even date attached

For Shah & Taparia
Chartered Accountants
FRN NO:109463W


Narottam Shah
Partner
M NO.106355

10th May, 2024
Place: Mumbai

For and on behalf of the Board of Directors


Nikhil Khandelwal
Director
DIN : 00016387

10th May, 2024
Place: Mumbai


Sunil Sarda
Director
DIN : 00030913



(₹ in Lakhs)

1) Corporate information

Systematix Commodities Services Private Limited ('the Company') is a Private Limited Company incorporated in India with its registered office located at The Capital, "A" wing, 6th Floor, No. 603-606, Plot No. C-70, G-Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051. The Company is Securities Exchange Board of India (SEBI) registered Commodity Broker having membership of Multi Commodity Exchange (MCX) and National Commodity & Derivatives Exchange (NCDEX).

The Company is Securities Exchange Board of India (SEBI) registered Intermediary primarily into broking business having Memberships of Bombay Stock Exchange (BSE), National Stock Exchange (NSE), Multi Commodity Exchange (MCX), and National Commodity & Derivatives Exchange (NCDEX). Additionally it is also carrying the activities as a SEBI registered Central Depository Services (India) Ltd (CDSL) Depository Participant (DP) Services, Portfolio Management Services (PMS), Research Analyst, Investment Advisor and into distribution activity for which it is registered with Association of Mutual Funds in India (AMFI).

These financial statements were authorised for issue by the board of directors on 10th May 2024.

2) Significant accounting policies

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

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.

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.

Summary of significant accounting policies

a) 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.

b) 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



Systematix Commodities Services Limited**CIN: U01119MH1994PTC266348**

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

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.

c) 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). Nonfinancial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

d) Financial instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument.

Financial Assets:**Classification**

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through the Statement of Profit or Loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the group has made an irrevocable election at the time of initial recognition to account for the equity investments at FVOCI.

Initial recognition and measurement

Financial assets are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets are recognized initially at fair value plus, in the case of financial assets not 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.

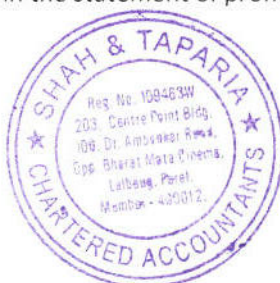
The company classifies its debt instruments into three measurement categories:

- **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 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 lifetime 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 overdue for more than 90 days for calculation of expected credit loss. Financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Derecognition of Financial Assets

A financial asset is derecognized only when:

- The Company has transferred the rights to receive cash flows from the financial asset or
- Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

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.

e) Equity instruments

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

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.

f) 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.

g) 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 bond is determined using a market interest rate for an equivalent non-convertible bond. 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 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.

h) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

i) 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.



j) Provisions, contingent liabilities and contingent assets

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.

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 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.

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.

k) 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.



Systematix Commodities Services Limited

CIN: U01119MH1994PTC266348

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

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:

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.

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.

Revenue from fees

Revenue from fees includes income from advisory fees etc. It is recognised based on the stage of completion of assignments and terms of agreement with the client.

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.

I) 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).

m) 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 higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a lessor

A lease 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.

n) Employee benefits

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.

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

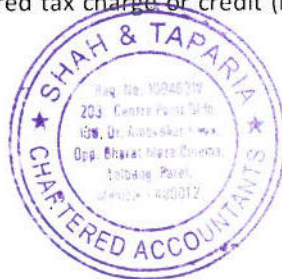
Re measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income.

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.

o) Taxes on income

Income-tax expense comprises current tax (amount of tax for the period determined in accordance with The Income Tax law) and deferred tax charge or credit (reflecting the tax effects of temporary



differences between tax bases of assets and liabilities and their carrying amounts in the financial statements). Taxes are recognized in the Statement of Profit and Loss except to the extent it relates to items directly recognized in equity or in the Other Comprehensive Income.

Current tax

Current tax is measured at the amount expected to be paid in respect of taxable income for the year in accordance with the Income Tax Act, 1961. Current tax comprises the tax payable on the taxable income or loss for the year and any adjustment to the tax payable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

- a) Has a legally enforceable right to set off the recognized amounts; and
- b) Intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable income.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. It is measured using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences can be utilized.

Deferred tax assets are reviewed at each reporting date and based on management's judgement, are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are offset only if the Company:

- a) Has a legally enforceable right to set off current tax assets against current tax liabilities; and
- b) The deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

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.



Systematix Commodities Services Limited

CIN: U01119MH1994PTC266348

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

p) Earnings per share

Basic earnings per share

Basic earnings per share are calculated by dividing:

- The profit attributable to owners of the Company
- By the weighted average number of equity shares outstanding during the financial year.

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

q) 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.

r) 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.

s) 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.

t) 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 judgments, 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 recognized 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.



Systematix Commodities Services Limited**CIN: U01119MH1994PTC266348**

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

The following are the critical estimates and judgments that have the significant effect on the amounts recognized 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 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 judgment 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 Commodities Services Private Limited
CIN: U01119MH1994PTC266348
Statement of change in equity for the period ended 31 March 2024

(A) Share capital

		(₹ in Lakhs)
Particular		Equity share capital
As at 1 April 2022		80.00
Changes in equity share capital		-
As at 31 March 2023		80.00
Changes in equity share capital		-
As at 31 March 2024		80.00

(B) Other equity

1. Reserve and Surplus

					(₹ in Lakhs)
Particular	Quasi Equity	Securities premium	Retained earnings		Total
As at 1 April 2022	8.26	157.00	(8.74)		156.52
Changes in equity during the year					-
Change in Quasi Equity	-	-	-		-
Profit/(Loss) for the year	-	-	4.24		4.24
Remeasurement of the net defined benefit liability/asset (net of tax effect)	-	-	-		-
As at 31 March 2023	8.26	157.00	(4.50)		160.76
As at 1 April 2023	8.26	157.00	(4.50)		160.76
Changes in equity during the year					-
Change in Quasi Equity	-	-	-		-
Profit/(Loss) for the year	-	-	29.92		29.92
Remeasurement of the net defined benefit liability/asset (net of tax effect)	-	-	-		-
As at 31 March 2024	8.26	157.00	25.42		190.68

See accompanying notes to the financial statements from 1 to 37
In terms of our report of even date attached

For Shah & Taparia
Chartered Accountants
FRN NO:109463W

Narottam Shah
Partner
M NO.106355

10th May, 2024
Place: Mumbai



For and on behalf of the Board of Directors


Nikhil Khandelwal
Director
DIN : 00016387

10th May, 2024
Place: Mumbai


Sunil Sarda
Director
DIN : 00030913





16 Interest income

(₹ in Lakhs)		
Particular	Year ended 31 March 2024	Year ended 31 March 2023
(a) On financial assets measured at fair value through OCI	-	-
(b) On financial assets measured at amortised cost		
Interest on loans	2.13	8.96
Interest on deposits with banks	17.11	1.78
(c) On financial assets classified at fair value through profit or loss	-	-
Total	19.24	10.74

17 Other income

(₹ in Lakhs)		
Particular	Year ended 31 March 2024	Year ended 31 March 2023
Profit on sale of Shares	41.84	-
Other Income	-	0.22
Total	41.84	0.22

18 Finance costs

(₹ in Lakhs)		
Particular	Year ended 31 March 2024	Year ended 31 March 2023
Interest on borrowings (refer note 25)	14.25	-
Bank guarantee commission	0.11	0.01
Total	14.36	0.01

19 Other expenses

(₹ in Lakhs)		
Particular	Year ended 31 March 2024	Year ended 31 March 2023
Subscription charges	5.00	5.00
Rent, Rates and taxes	0.23	0.10
Director Sitting Fees (refer note 25)	0.40	0.40
Auditor's fees and expenses	1.18	0.70
Legal and professional charges	0.40	-
Insurance	0.05	0.09
GST ITC written off	2.17	(0.02)
Miscellaneous expenditure	0.83	0.44
Total	10.26	6.71

Details of Auditor's fees and expenses

(₹ in Lakhs)		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
As Auditor	1.18	0.70
Total	1.18	0.70



20 Tax expenses

(₹ in Lakhs)		
Particular	Year ended 31 March 2024	Year ended 31 March 2023
Current tax		
-Current tax	6.53	-
	6.53	-
Deferred tax	-	-
Total	6.53	-

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

(₹ in Lakhs)		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Profit before income tax	36.46	4.24
Enacted tax rates in India (%)	25.17%	25.17%
Computed expected tax expenses	9.18	1.07
Others	(2.65)	(1.07)
Income Tax expenses - Net	6.53	-

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

(₹ in Lakhs)		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Unused tax losses and unabsorbed depreciation for which no deferred tax asset has been created	43.34	41.56
Potential tax benefit @25.17% (P.Y. 25.17%)	10.91	10.46

21 Earnings per share

(₹ in Lakhs)		
Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(i) Basic earnings per share		
Profit attributable to the equity holders of the Company (₹ in Lakhs)	29.93	4.24
Total basic earnings per share attributable to the equity holders of the Company	37.42	5.30
(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	80,000	80,000



22 Contingent liabilities and commitment

Particular	(₹ in Lakhs)	
	As at 31 March 2024	As at 31 March 2023
(i) Contingent liabilities:		
Income Tax demand for AY 2012-13. The same has been appeal against and pending in CIT (A), Mumbai	17.32	17.32
Income Tax demand for AY 2013-14. The same has been appeal against and pending in CIT (A), Mumbai	62.47	62.47
Income Tax demand for AY 2014-15. The same has been appeal against and pending in CIT (A), Mumbai	155.59	155.59

23 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 2024	As at 31 March 2023
Bank balance other than cash and cash equivalents	346.79	32.66

24 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 Brokerage and other related 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 "Brokerage activities". Accordingly, the segment revenue, segment results, segment assets and segment liabilities is reflected in the financial statements as of and for the financial year ended 31 March 2024

Information about primary business segment:

The Company's business segment is "Brokerage activities" 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 2024

Information about geographical areas:

The Company caters to the needs of the domestic market and hence there are no reportable geographical segments for the financial year ended 31 March 2024

25 Related party transactions

(i) Details of related parties

Description of relationship	Names of related party
Ultimate Holding Company	Systematix Holdings Private Limited (Formerly known as Superstar Exports Private Limited.)
Holding Company	Systematix Corporate Services Limited



Common Key managerial persons or their relatives

Systematix Fincorp India Limited
Systematix Finvest Private Limited
Systematix Shares and Stocks (India) Limited
Systematix Ventures Private Limited
Ceepeek Real Estate Private Limited
First Lady Housing Private Limited
Funsign Real Estate Private Limited
Goldflag Exports Private Limited
Goldlife Trading Company Private Limited
Magicline Trading Company Private Limited
Nikunj Mercantile Private Limited
Perspire Builders and Developers Private Limited
Rangsharda Properties Private Limited
Riteplaza Trading Company Private Limited
Shiv Shakti Real Estate Private Limited
Shubham Mangalam Real Estate Private Limited
Snehvardhini Properties Private Limited
Swaraj Apartments Private Limited
Systematix Assets Management Company Private Limited
Systematix Capital Services Private Limited
Systematix Distributions Services Private Limited
Tekpoint Properties Private Limited
Thirdwave Mercantile Company Private Limited
Topcity Trading Company Private Limited
Urban Affordable Housing LLP
Wonderdream Realtors Private Limited
Divisha Alternate Investments Manager LLP
Divisha Alternate Investments LLP
Divisha developers LLP
Divisha Lifestyle LLP
Divisha Real Estate Advisors LLP
Divisha Realty LLP
NHI Developers LLP

Key managerial personnel

Anju Khandelwal
Nikhil khandelwal
Rahul Khandelwal
Sunil Sarda

(ii) Compensation (remuneration to KMP)

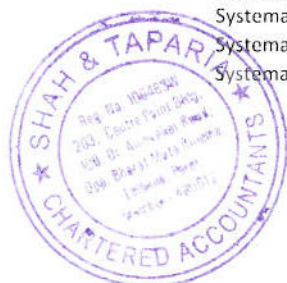
(₹ in Lakhs)

For the year ended 31 March 2024		Short-term employee benefits	Post-employment benefits	Long-term employee benefits	Total
Nikhil Khandelwal	Director				
Rahul Khandelwal	Director				
Sunil Sarda	Director				

(iii) Transactions with related parties

(₹ in Lakhs)

Nature of Transaction	Name	Year ended 31 March 2024	Year ended 31 March 2023
Director sitting fees	Anju Khandelwal	0.40	0.20
Loan Taken	Systematix Fincorp India Limited	290.00	
Interest charged	Systematix Fincorp India Limited	14.26	
Loan Repaid	Systematix Fincorp India Limited	143.02	
Loan Given	Systematix Finvest Private Limited		22.00
Interest charged	Systematix Finvest Private Limited	0.48	1.11
Loan repaid	Systematix Finvest Private Limited	22.48	1.11



Purchase/Sale of Shares Investment		
Transaction	Systematix Shares and Stocks (India) Limited	41.75
Fund withdrawn/ received	Systematix Shares and Stocks (India) Limited	41.75

(iv) Outstanding balances

		(₹ in Lakhs)	
Nature of transactions		As at	As at
		31 March 2024	31 March 2023
Borrowing	Systematix Fincorp India Limited	161.23	-
Loan Given	Systematix Finvest Private Limited	-	22.00

(iv) Terms and conditions:

All related party transactions entered during the year were in ordinary course of business and are on arm's length basis.



26 Financial instruments

(i) Financial instruments by category

The carrying value and fair value of financial instruments by categories as on 31 March 2024 is as follows:

(₹ in Lakhs)

Particulars	Carrying value		Fair value			Total
	Amortised cost	FVTPL	Level - 1	Level - 2	Level - 3	
I. Financial assets						
Cash and cash equivalents	14.86	-	-	-	14.86	14.86
Bank balances other than above	346.79	-	-	-	346.79	346.79
Receivables						
(i) Trade receivables	-	-	-	-	-	-
(ii) Other receivables	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Investments	-	-	-	-	-	-
Other financial assets	51.62	-	-	-	51.62	51.62
Total financial assets	413.27	-	-	-	413.27	413.27
Financial Liabilities						
Payable						
(i) Trade payable						
- total outstanding dues of micro enterprises and small enterprises	1.44	-	-	-	1.44	1.44
- 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	161.23	-	-	-	161.23	161.23
Borrowings (other than debt securities)	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
Total financial liabilities	162.67	-	-	-	162.67	162.67

The carrying value and fair value of financial instruments by categories as on 31 March 2023 is as follows:

(₹ in Lakhs)

Particulars	Carrying value		Fair value			Total
	Amortised cost	FVTPL	Level - 1	Level - 2	Level - 3	
I. Financial assets						
Cash and cash equivalents	8.13	-	-	-	8.13	8.13
Bank balances other than above	32.66	-	-	-	32.66	32.66
Receivables						
(i) Trade receivables	-	-	-	-	-	-
(ii) Other receivables	-	-	-	-	-	-
Loans	128.09	-	-	-	128.09	128.09
Investments	-	-	-	-	-	-
Other financial assets	52.94	-	-	-	52.94	52.94
Total financial assets	221.81	-	-	-	221.81	221.81



Notes forming part of the financial statements (Contd.)

Financial Liabilities

Payable

(i) Trade payable

- total outstanding dues of micro enterprises and small enterprises	-	-	-	-	-	-
	2.04	-	-	-	2.04	2.04

- 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)

Other financial liabilities	-	-	-	-	-	-
Total financial liabilities	2.04	-	-	-	2.04	2.04

(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.

27 Financial risk management

The Company's business activities expose it to a variety of financial risks, namely credit risk and liquidity risk.

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investment securities. Credit risk arises from cash held with banks and financial institutions, as well as credit exposure to clients, including outstanding accounts receivable. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

The Company has exposure to credit risk from a limited customer group on account of specialised nature of business, i.e., port services provided by the Company. The Company ensures concentration of credit does not significantly impair the financial assets. The Company, based on the credit information available with its, has provided expected credit loss. Rest of the exposure is to the Customers which are well established and from reputed industries.

Expected credit loss for trade receivables under simplified approach

(₹ in Lakhs)

Particulars	Amount
Year ended 31 March 2024	40.81
Year ended 31 March 2023	40.81



(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 2024					
Payable	1.44	1.44	-	-	1.44
Total	162.67	1.44	-	-	1.44

(₹ in Lakhs)					
Particulars	Carrying amount	Less than 12 months	1-5 years	More than 5 years	Total
As at 31 March 2023					
Payable	2.04	2.04	-	-	2.04
Total	2.04	2.04	-	-	2.04

(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. During the year there were no instruments which were impacted by the market risk.

28 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.

29 Disclosure related to funds borrowed from banks and financial institutions

The Company has no borrowings from banks or financial institutions on the basis of security of current assets

30 Willful Defaulter

The company is not declared willful defaulter by any bank or financial Institution or other lender as on 31st March, 2024

31 Relationship with Struck off Companies

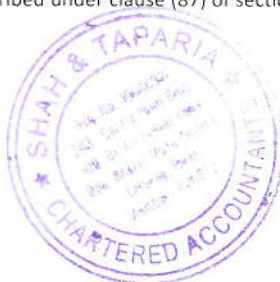
The company has no transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956 as on 31st March, 2024.

32 Registration of charges or satisfaction

There are no charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period i.e. 31st March, 2024

33 Compliance with number of layers of companies

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017



34 Ratios

Ratio	2023-24	2022-23	% Variance	Reason for Variance (if above 25%)
Capital to risk-weighted assets ratio				
Total of Tier 1 & Tier 2(Numerator)	252.14	222.22		
Risk Adjusted Assets (Denominator)	72.33	136.25		
Ratio Times	3.49	1.63	114%	Due to increase in loan & advances
Tier I CRAR	252.14	222.22		
Tier II CRAR	-	-		
Liquidity Coverage Ratio.			0%	

35 Corporate Social Responsibility (CSR)

The company is not covered under section 135 of the companies act, 2013 as on 31st March,2024

36 Details of Crypto Currency or Virtual Currency

The Company has not traded or invested in crypto currency or virtual currency during the financial year as on 31st March, 2024.

37 Utilisation of Borrowed funds and share premium

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding regarding utilisation of borrowed funds and share premium

For Shah & Taparia

Chartered Accountants

FRN NO:109463W



Narottam Shah

Partner

M NO.106355

10th May, 2024

Place: Mumbai



For and on behalf of the Board of Directors



Nikhil Khandelwal

Director

DIN : 00016387

10th May, 2024

Place: Mumbai



Sunil Sarda

Director

DIN : 00030913

