



Systematix Securities Limited

19th Annual Report
2004-05

BOARD OF DIRECTORS

Shri S.K.Samdani	(Managing Director)
Shri J.C.Rathi	(Director)
Shri Rakesh Sethiya	(Director)
Shri Bhagwati Prasad Sharma	(Director)

BANKERS

The Bank of Rajasthan Limited.
State Bank of Bikaner & Jaipur
State Bank of India

AUDITORS

S.N. Gadiya & Co.,
Chartered Accountants
241, Apollo Towers
2, M.G. Road, Indore

REGISTERED OFFICE

237, Kamalaya Center,
156-A Lenin Sarani,
Kolkata - W.B.

SHARE TRANSFER AGENT

Ankit Consultancy Private Ltd.
2nd floor, Alankar Point,
A.B.Road, Indore - 452001 M.P.
PH 0731-3042298

SYSTEMATIX SECURITIES LTD.**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 19th Annual General Meeting of the members of **SYSTEMATIX SECURITIES LIMITED** will be held on Friday, the 30th September, 2005 At 2.00 P.M. at the Registered Office of the Company to transact the following business :

ORDINARY BUSINESSES :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2005 and the profit & Loss Account for the year ended on same date and the Reports of Board of Directors & Auditors thereon.
2. To appoint director in place of Shri Jagdish Rath, who retires by rotation and being eligible offer himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General Meeting and to authorize the Board to fix their remuneration. The retiring auditors M/s S.N. Gadiya & Co., Chartered Accountants have informed the Company that they do not wish to seek re-election as Auditors of the Company in ensuing Annual General Meeting. The Company has received a special notice from a member proposing the appointment of M/s Sethiya Khandelwal & Co. Chartered Accountants as Auditors of the Company.

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

"RESOLVED THAT M/s Sethiya Khandelwal & Co., Chartered Accountants be and they are hereby appointed as statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting to the conclusion of next Annual General meeting and the Board be and are hereby authorized to fix their remuneration."

4. To consider and if, thought fit, to pass with or without modification(s) the following resolution as ordinary resolution:

"RESOLVED THAT the Company be and is hereby authorized to pay sitting fees to the Directors of the Company other than the Managing Director(s), whole Time Director(s) for attending meeting(s) of the Board of Directors (the Board) or Committee thereof, as may be determined by the Board from time to time within the limits prescribed under the Companies Act, 1956, or any statutory modification or re-enactment thereof and/or under any rules or regulations framed there under or by the Central Government or any other appropriate authority."

5. To consider and if, thought fit, to pass with or without modification(s) the following resolution as special resolution:

"RESOLVED THAT pursuant to provisions of the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 (hereinafter referred to as the "Delisting Guidelines") and subject to the provisions of the Companies Act, 1956 [including any statutory modification(s) or re-enactments thereof for the time being in force], the securities Contracts (Regulation) Act, 1956 and the Rules framed thereunder, Listing Agreement and all other applicable rules, regulations and guidelines and subject to the approval(s), consent (s) permission(s) or sanction(s) of the Securities and Exchange Board of India, Stock Exchanges where the shares of the Company are listed and other appropriate authorities, institutions or regulators as may be prescribed or imposed by any authority while granting such approval(s) permission (s) and sanction(s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall be deemed to include any committee thereof constituted by the Board) the consent of the Company be and is hereby accorded to the Board to delist the equity shares of the Company from the Madhya Pradesh Stock Exchange, Indore and Kolkata Stock Exchange Association, Kolkata."

By Order of the Board
For Systematix Securities Limited

Place : Indore
Dated : 24/08/2005

S.K.Samdani
(Managing Director)

SYSTEMATIX SECURITIES LTD.**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the company. The proxies in order to valid must be deposited at the registered office of the company not less than 48 hours before the commencement of the meeting.
2. Register of the members and share transfer books of the company will be remain closed from Tuesday, the 27th September, 2005 to Friday, 30th September, 2005 (both days inclusive) in terms of section 154 of the Companies Act, 1956.
3. The Explanatory Statement pursuant to section 173 (2) of the Companies Act, 1956 in respect of the special business set out in the Notice is annexed hereto.
4. Members are requested to send their queries, if any at least 10 days in advance so that the information can be made available at the meeting and to bring their copies of the Annual Report at the time of attending the Annual General Meeting.
5. All Documents referred to in the accompanying notice and explanatory statement, are open for inspection at the Registered Office of the Company on all working days, between 11.00 a.m. and 1.00 p.m. up to the date of meeting.
6. Pursuant to clause 49 of listing Agreement with the Stock Exchanges, following information is furnished about the Directors proposed to be re-appointed.

Mr. Jagdish Rathi 43 year old, is a qualified Chartered Accountant and is currently the non-executive Director of the Company. He has over 18 years of experience in finance and Taxation matter. Presently he is not Director in any other Company.

By Order of the Board
For Systematix Securities Limited

Place : Indore
Dated : 24/08/2005

S.K.Samdani
(Managing Director)

EXPLANATORY STATEMENT

pursuant to section 173(2) of the Companies Act, 1956

Items No. 4

According to sub-clause 1(B) of revised clause 49 of the listing Agreement entered into with the stock exchanges whose compliance has been extended up to 31st December, 2005 by SEBI, fees/compensation paid to Non-executive Director including independent director shall be fixed by the Board of Directors and require previous approval of the shareholders of the Company. In view of the amendment made in clause 49, the shareholders are requested to pass the resolution at Item No. 4 of the notice for approving payment of such sitting fees to the Directors as may be determined by the Board within the limits prescribed from time to time.

The Board recommends the resolution for your approval. Mr. Jagdish Rathi, Mr. Bhagwati Prasad Sharma, Mr. Rakesh Sethiya Directors of the Company are concerned or interested in passing of the resolution since it relates to payment of sitting fees to them for attending meetings of the Board and/or committee thereof.

Item No. 5

The Company's equity shares are listed at Stock Exchange at Mumbai, Indore and Kolkatta. The equity shares are traded on Mumbai Stock Exchange whereas practically there are no transaction on the remaining stock exchanges. Computerization of the Stock Exchanges have offered opportunities to the shareholders to have better accessibility to the exchanges where shares are actively traded. It is, therefore, proposed to delist the Company's equity shares from Kolkatta and Madhya Pradesh Stock Exchanges to save cost and compliance requirement.

The Board recommends the adoption of the resolution proposed under this item.

None of the Directors of the Company is concerned or interested in the proposed Resolution.

By Order of the Board
For Systematix Securities Limited

Place : Indore
Dated : 24/08/2005

S.K.Samdani
(Managing Director)

SYSTEMATIX SECURITIES LTD.**DIRECTORS' REPORT**

Dear Members,

Your Directors hereby present the nineteenth Annual Report of the Company together with the Audited Accounts for the year ended 31st March,2005.

Financial Results :

	(Rs. in Lacs)	
	Year ended 31/03/2005	Year ended 31/03/2004
Total Income	19.13	21.38
Total Expenditure	16.86	16.67
Profit before depreciation	2.27	4.71
Depreciation	0.98	1.18
Profit/Loss before tax	1.29	3.53
Provision for taxation	0.10	0.27
Profit/Loss after tax	1.19	3.26
Paid up Equity Share Capital	500	500

Dividend :

In view of playback of profit, Your Directors regret their inability to recommend any dividend for the year under review.

Public Deposit :

During the period the company did not invite public deposits within the meaning of section 58A of the companies Act,1956 and rules made thereunder.

Directors :

In accordance with the provisions of the Companies Act,1956 and Articles of Association of the Company Shri Jagdish Rath, retires by rotation at the forthcoming Annual General Meeting, and being eligible, offer himself for re-appointment.

Directors Responsibility Statement :

Pursuant to the requirement under Section 217(2AA) of the Companies Act,1956, with respect to Director's Responsibility statement, it is hereby confirmed:

- i) that in the preparation of the annual accounts for financial year ended 31st March,2005, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- ii) that the Directors have 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 at the end of financial year and of the profit of the Company for the year and review.
- iii) that the Directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

Auditors :

M/s S.N. Gadiya & Company, Chartered Accountants, Auditors of the company are retiring and have informed that they do not wish to seek re-election as auditors at the ensuing Annual General Meeting. The Board records its sincere appreciation of the long and fruitful association with your company, had with M/s S.N. Gadiya & Co.

A Special notice has been received from member proposing the appointment of M/s Sethiya Khandelwal & Co., Chartered Accountants as Statutory Auditors of the Company.

SYSTEMATIX SECURITIES LTD.

Further Observation made in the Auditors Report are self-explanatory and therefore do not call for any further explanation.

Disclosure of Special Particulars :

As company does not have any manufacturing facilities, hence particulars relating to conservation of energy and technology absorption stipulated in the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 are not applicable and further there was neither inflow nor outflow of foreign exchange during the period.

Particulars of the Employee :

There was no employee during the period drawing remuneration attracting provisions of section 217 (2A) of the companies Act, read with the companies (particulars of Employees) Rules 1975.

Corporate Governance :

A Report on the corporate Governance code along with a certificate from the Auditors of the Company regarding the compliance of conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement as also the Management Discussion and Analysis Report are annexed to this report.

Audit Committee :

Under the provisions of Companies Act, 1956 and Listing Agreement with the Stock Exchanges a Audit Committee Comprises of Shri J.C. Rathí, Shri Rakesh Sethiya and Shri Bhagwati Prasad Sharma.

Acknowledgements :

The Directors wish to place on record their appreciation for the devoted services rendered by the staff members of the Company. Your Company & Directors wish to extend sincere thanks to the Banks and institutions along with all the Shareholders of the Company for extending their sincere support and services.

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For Systematix Securities Limited

Place : Indore
Dated : 30/06/2005

S.K.Samdani Jagdish C. Rathí
(Managing Director) (Director)

SYSTEMATIX SECURITIES LTD.**REPORT ON CORPORATE GOVERNANCE**

In Compliance with clause 49 of the Listing Agreement with Stock Exchanges, the Company submits the report on the matters mentioned in the said clause and practices as followed by the Company.

1. COMPANY'S PHILOSOPHY OF CORPORATE GOVERNANCE

Systematix Securities Limited (SSL), has been practicing of good corporate governance over the years. The Board of Directors supports the broad principle of Corporate Governance.

2. BOARD OF DIRECTORS

A. The Board of Directors together with their other details are as under. During the year 2004-2005 the Board met five times viz. 30th June, 2004, 31st July, 2004, 25th August 2004, 30th October, 2004 and 31st January, 2005. The last Annual General Meeting was held on 30th September, 2004.

The following table gives details of Directors, attendance of directors at the board meeting and at the last annual general meeting.

Name of Directors	Category of Directors	No. Of Board Meetings Attended	Attendance at the last AGM
Mr. S.K. Samdani	MD	5	No
Mr. Jagdish Rathi	NED	5	Yes
Mr. Rakesh Sethiya	NED	5	No
Mr. Bhagwati Prasad Sharma	NED	3	No

NED ----Non-Executive Director

MD - Managing Director

Number of membership held by directors in the board/committees of various companies: -

Name of Director	No. of Directorships in other Boards *	No. of Memberships in other Board Committees#	No. of Chairmanships in other Board Committees#
Mr. Jagdish Rathi	NIL	NIL	NIL
Mr. S.K. Samdani	NIL	NIL	NIL
Mr. Rakesh Sethiya	1	NIL	NIL
Mr. Bhagwati Prasad Sharma	NIL	NIL	NIL

None of the Directors is a member in more than ten Committees and acts as a chairman in more than five committees across all companies in which he is a director.

B. BOARD PROCEDURE

A detailed agenda folder is sent to each Director in advance of Board and Committee meetings. To enable the Board discharge its responsibilities effectively, the chairman briefs the Board at every meeting on the overall company performance.

C. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS.

There have been no materially significant related party transactions, pecuniary transactions or relationship between Systematix Securities Limited and its directors for year ended 31st March, 2005.

D. REMUNERATION OF DIRECTORS: SITING FEES, SALARY, PERQUISITES AND COMMISSION

During the year Rs. 72,000/- was paid to Mr. S.K.Samdani, Managing Director of the company. No sitting fees was paid to any other director.

3. AUDIT COMMITTEE

The Audit Committee constituted by the Board of directors consists of three Non executive Directors namely, Mr. J.C.Rathi, Shri