

NOTICE OF 25TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the 25th Annual General Meeting of the shareholders of **SYSTEMATIX CORPORATE SERVICES LIMITED** will be held on Thursday 30th September, 2010 at 12.30 P.M. at the registered office of the Company at 206-207, Bansil Trade Centre, 581/5, M.G. Road, Indore-452001 (M.P.) to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt
 - a. The Audited Balance Sheet as at 31st March 2010;
 - b. The Audited Profit & Loss Account for the year ended on that date;
 - c. The Auditor's Report thereon and
 - d. The Director's Report
2. To appoint a Director in place of Mr. J.N. Khandelwal who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Maharaj N.R. Suresh & Co. retiring Auditors are eligible for re-appointment.

SPECIAL BUSINESS:**4. Increase in Borrowing Limits of the Company**

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

"RESOLVED THAT in supersession of all the earlier Resolutions passed by the Members of the Company, the consent of the Company be and is hereby accorded, in terms of Section 293(1)(d) and other applicable provisions, if any, of the Companies Act, 1956, to the Board of Directors of the Company and/or a duly authorized Committee of the Board for the time being exercising the powers conferred by the Board of Directors ("the Board") for borrowing, from time to time, any sum or sums of moneys on such terms and conditions and with or without security, as the Board may think fit which, together with the moneys already borrowed by the Company (apart from the temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate for the time being of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total amount of money/moneys so borrowed by the Board shall not at any time exceed the limit of Rs. 200 Crores (Rupees Two Hundred Crores only).

RESOLVED FURTHER THAT the Board be and is hereby authorized to do and perform all such acts, deeds, matters and things as may be necessary, desirable or expedient for the purpose of giving effect to this Resolution."

5. Authorization for creation of charge and/or mortgage over the properties of the Company

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

"RESOLVED THAT in supersession of all the earlier Resolutions passed by the Members of the Company, the consent of the Company be and is hereby accorded, in terms of Section 293(1)(a) and other applicable provisions, if any, of the Companies Act, 1956, for creation of charge and/or mortgage by the Board of Directors of the Company and/or a duly authorized Committee of the Board for the time being exercising the powers conferred by the Board of Directors ("the Board") over any of the immoveable and/or moveable properties of the Company, wherever situate, both present and future, with such ranking as the Board may in its absolute discretion decide and/or conferring power to enter upon and to take possession of assets and the whole of the undertaking together with power to takeover the management of the business or concern of the Company in certain events to or in favour of various Banks including Scheduled Commercial Banks and Financial institutions including Housing Finance Institutions to secure the various fund based and non-fund based facilities sanctioned/ to be sanctioned not exceeding Rs. 200 Crores (Rupees Two Hundred Crores only). and/ or to the extent the Board may in its absolute discretion, decide to borrow from such lenders together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, premia on prepayment or on redemption, costs, charges, expenses and other moneys payable by the Company to the aforesaid lenders under the respective heads of loan agreement(s) and/or any other document(s) entered into/ to be entered into by the Company in respect of the aforesaid fund based and non-fund based facilities including term loan/bank guarantee facilities.

RESOLVED FURTHER THAT the Board be and is hereby authorized to negotiate and finalize with the lenders, terms and conditions, including the nature and ranking of charge and/or mortgage, documents for creation of mortgage and/ or charge and to do all such acts, deeds, matters and things incidental thereto and to execute all such documents or writings as may be considered necessary for giving effect to this Resolution.

6. Authorization for giving corporate guarantees by the Company

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

"RESOLVED THAT pursuant to the provisions of Section 372A and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force) and subject to such approvals, consents, sanctions, and permissions of appropriate authorities, departments or bodies as may be necessary consent of the Company be and is hereby accorded to the Board of Directors of the Company for giving Corporate guarantee in connection with a loan made by or may be made by Axis Bank, State Bank of India, Indian Overseas Bank, Union Bank of India and or any other bank to Systematix Shares & Stock (I) Ltd. subject to the condition that the aggregate amount of such corporate guarantees at any point shall not exceed the amount of Rs. 200/- Crore (Rupees Two Hundred Crore only)"

By order of the Board
For **Systematix Corporate Services Ltd.**
Sd/-

(Managing Director)
Ramesh Raizada

Place : INDORE
Date : 29-05-2010

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 PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday the 25th September, 2010 to Thursday, the 30th of September, 2010 (both days inclusive).
3. Members / proxies should bring the attendance slips duly filled in and signed for attending the meeting.
4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send certified copy of the Board resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
5. Queries on accounts and operations may please be sent to the Company 7 days in advance of the Annual General Meeting so that the answers may be made available at the meeting.
6. Members who hold shares in dematerialized form are requested to write their client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Pursuant to the recommendation of SEBI Committee on Corporate Governance for reappointment of the retiring Directors, a statement of the details of the concerned directors is attached hereto.
9. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 with respect to the Special Business is enclosed herewith forming part of the Notice.
10. The members who have not paid full amount on their shares are requested to pay such amount at the earliest. The Company is in the process to issue final notice to all such shareholders who have partly paid the call money on their shares and even after such notice, if amount is not paid, such shares shall be forfeited by the Board of Directors of the Company.
11. Pursuant to the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, and all other applicable provisions, if any, of the applicable laws, the assent or dissent of the Members in respect of the Resolutions set out at item nos. 4, 5 & 6 contained in this notice is being determined through Postal Ballot.
12. The votes should be cast either in favour or against by putting the tick (v) mark in the column provided for assent (For) or dissent (Against). Postal Ballot Form bearing (v) in both the columns will render the form invalid.
13. The Company has appointed Miss. Rani Jain, Practicing Company Secretary as Scrutinizer for the purpose of Postal Ballot exercise.
14. The notice is being sent under certificate of posting to all the Members, whose names would appear in the Register of Members / Record of Depositories as on 27th August, 2010.
15. A member desiring to exercise vote by Postal Ballot may complete the enclosed Postal Ballot Form and send it to the Scrutinizer in the enclosed self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, envelopes containing Postal Ballots, if sent by courier or by Registered Post at the expense of or deposited by the registered member will also be accepted. The envelopes containing the Postal Ballot should reach the Scrutinizer not later than the close of working hours on 27th September, 2010.
16. The result of the Postal Ballot shall be announced by the Chairman at the 25th Annual General Meeting and the Resolutions will be taken as passed effectively on the date of announcement of the result by the Chairman, if the result of the Postal Ballot indicates that the requisite majority of the Shareholders had assented to the Resolutions. The result of the Postal Ballot shall also be announced through a newspaper advertisement.
17. Members are requested to carefully read the instructions printed on the backside of the Postal Ballot Form before exercising their votes.
18. Copies of all the documents referred to in the accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except holidays, between 10.30 a.m. and 12.30 p.m. upto the date of declaration of result of Postal Ballot.

ADDITIONAL INFORMATION REQUIRED UNDER CLAUSE 49 IV(G) OF THE LISTING AGREEMENT ON DIRECTORS SEEKING FOR APPOINTMENT OR RE-APPOINTMENT AT ANNUAL GENERAL MEETING

Mr. J.N. Khandelwal

Mr. J.N. Khandelwal is a fellow member of the Institute of the Chartered Accountants of India. He is having rich experience of finance, Accounts & Taxation Matters. He joined the Board of Directors of the Company on 20th December, 2006. He is also a Director in the following companies:

1. SQL Star International Ltd.
2. NUTECH Corporate Services Ltd.

He is also a member of Audit Committee and Remuneration Committee of the Board of Directors of SQL Star International Ltd.

He holds 2100 shares (0.02%) equity shares in the company.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 FOR ITEM No. 4 and 5

As per the provisions of Section 293(1)(d) of the Companies Act, 1956, the Board of Directors of the Company cannot, except with the permission of the Members in General Meeting, borrow moneys in excess of the aggregate of the paid-up capital of the Company and its free reserves. Further, the borrowings of the Company are, in general, required to be secured by suitable charge and/or mortgage over the movable and/or immovable properties of the Company in such form, manner and ranking as may be determined by the Board of Directors of the Company, from time to time, in consultation with the Lender(s). The charge and/or mortgage by the Company over its movable and/or immovable properties and/or whole or any part of the undertaking(s) of the Company in favour of the lenders/agents/trustees, with a power to take over the management of the business and concern of the Company in certain events of default by the Company may be regarded as disposal of the Company's undertaking(s) within the meaning of Section 293(1) (a) of the Companies Act, 1956.

The increasing business operations and future growth plans of the Company would necessitate restructuring of the borrowing limits by authorizing the Board of Directors to borrow moneys which may exceed at any time the aggregate of the paid-up capital of the Company and its free reserves, but not exceeding Rs. 200/- Crores (Rupees Two Hundred Crore only) with a matching authorization for creation of charge and/or mortgage over the movable and/or immovable properties of the Company as security. These revision in the borrowing limits and creation of securities by way of charge and/or mortgage would require your approval under the provisions of Sections 293(1)(d) and 293(1)(a) of the Companies Act, 1956 respectively.

In compliance with the provisions of Section 192A of the Companies Act, 1956 read with the provisions of the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, your approval is sought by voting by postal ballot. A postal ballot form is being sent along with the notice.

Your Directors commend the Resolutions for your approval. None of the Directors is either interested or concerned (save and except to the extent of their shareholding in the Company, if any) in these Resolutions.

FOR ITEM No. 6

The Company has made investments in one Non-Banking Financial Company (NBFC) and has made the said Company a subsidiary of the Company. The Company has given corporate guarantee and proposes to make further guarantee in favour of Systematix Shares & Stock (I) Ltd in connection with loan obtained or to be obtained by such Company from Axis Bank, State Bank of India, Indian Overseas Bank, Union Bank of India and Centurian Bank of Punjab or any other bank time to time as per the business requirements of the said Company. Since the said guarantee along with the investment and guarantee, if any, already made or guarantee proposed to be given or may be given by the Company in future will exceed the sixty percent of the aggregate of the paid up capital and free reserves of the Company or one hundred percent of the free reserves of the Company, whichever is higher as provided in Section 372A of the Companies Act, 1956, the company is required to take the approval of shareholders before giving the corporate guarantees within the aforesaid limit. Since the procedure for obtaining the approval of shareholders every time is cumbersome, time consuming and costly, the Board of Directors of the Company seek the approval of shareholders for giving corporate guarantees contemplated in the resolution so that the aggregate amount of all

such guarantees shall not exceed Rs. 200/- Crores (Rupees Two Hundred Crore only) at any point of time.

Any investments / loans and advances and guarantees given / security provided in excess of limits prescribed under Section 372A of the Companies Act, 1956 requires the approval of the Company through postal ballot and accordingly the Board of Directors of the Company recommends passing of the resolution as a Special Resolution for approval by the Members, by exercising their vote through postal ballot. A postal ballot form is being sent along with the notice. None of the Directors of the Company is interested (save and except to the extent of their shareholding in the Company, if any) in the Resolution.

By order of the Board
For Systematix Corporate Services Limited

Sd/-

(Managing Director)
Ramesh Raizada

Place : INDORE
Date : 29-05-2010

DIRECTORS' REPORT

The Members of
Systematix Corporate Services Ltd.

Dear Members,

Your Directors have pleasure in presenting Twenty Fifth Annual Report and Audited Accounts for the year ended 31st March 2010.

FINANCIAL REVIEW :**(Rs. in Lacs)**

Particulars	Year ended 31/03/2010	Year ended 31/03/2009
Total Income	21.98	31.64
Total Expenditure	70.04	227.70
Profit / (Loss) before depreciation and interest	(48.06)	(196.06)
Interest	1.53	3.21
Depreciation	5.96	7.68
Profit/(Loss) before Tax	(55.55)	(206.95)
Tax/Provision for Taxation/Deferred Tax	1.25	0.35
Profit/Loss after Tax	(56.80)	(207.30)
Paid up Equity Share Capital	1259.87	1259.87
Reserves & Surplus	1028.64	1028.64

As is evident from the above financial review, during the year, the Company has earned Income of Rs. 21.98 Lacs as compared to income of Rs. 31.64 Lacs of the previous year. The Company is taking hard and effective steps to grab all the business opportunities and improve its performance.

DIVIDEND:

In order to conserve the resources for increasing business operations, your Directors do not recommend any dividend for the year under review.

PUBLIC DEPOSITS:

During the year under review the company has neither accepted nor invited any public deposits within the meaning of section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975. Also there are no outstanding public deposits.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. J.N. Khandelwal retires by rotation at the forthcoming Annual General Meeting, and being eligible, offers himself for re-appointment. Information on the details of director seeking appointment/re-appointment as required under Clause 49 of the Listing Agreement has been given under the Notice to Shareholders under the head 'Additional Information'.

APPOINTMENT OF MR. V.R.N.H.S. PRASAD SANKA AS COMPANY SECRETARY OF THE COMPANY:

During the year Mr. V.R.N.H.S. Prasad Sanka was appointed as Company Secretary of the Company w.e.f., 04th day of January, 2010

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 2010, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended on 31st March, 2010 and of the Loss of the Company for the year ended on that date.
- iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies 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.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management Discussion & Analysis Report, as required under the Listing agreement with the Stock Exchanges is enclosed at Annexure 'A'.

LISTING AT STOCK EXCHANGES:

The equity shares of the company continue to be listed at Bombay Stock Exchange Ltd. (BSE). The Company has paid the annual Listing fee for the financial year 2010-11 to BSE.

AUDITORS AND AUDITORS' REPORT:

The statutory auditors of the company, Maharaj N.R. Suresh & Co., Chartered Accountants hold office until the conclusion of the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The company has received a certificate from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956.

The Notes on Accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

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

The nature of your company is a service company. Therefore the particulars relating to conservation of energy and technology absorption as stipulated in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable to the company.

There was no foreign exchange earning and outgo during the year under review.

PARTICULARS OF EMPLOYEES:

There was no employee during the period drawing remuneration attracting the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CORPORATE GOVERNANCE:

Your Company is committed to maintain the highest standards of Corporate Governance. Your directors adhere to the stipulations set out in the Listing Agreement with the Stock Exchanges and have implemented all the prescribed requirements.

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges forms part of the Annual Report.

A certificate from the Auditors of the Company, Maharaj N.R. Suresh & Co., Chartered Accountants confirming 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:

As per the provisions of the Companies Act, 1956 and Listing Agreement with the Stock Exchanges, the Audit Committee of the company comprised of three non-executive independent Directors viz., Mr. Mahesh Solanki, Mr. J.N. Khandelwal and Mr. Sunil Sarda. Mr. Mahesh Solanki is the Chairman of the Audit Committee.

ACKNOWLEDGEMENTS:

Your Directors place on record their gratitude for the valuable support and assistance extended to the Company by the Banks, Government authorities and look forward to their continued support. Your Directors also place on record their gratitude towards the stakeholders and clients of the Company for reposing their faith and confidence in the Company. Yours Directors also wish to place on record their appreciation of the contribution made by the Executives and staff of the Company.

By order of the Board

For Systematix Corporate Services Ltd.

Sd/-

Sd/-

Place: Indore

Ramesh Raizada

Sunil Sarda

Date: 29-05-2010

(Managing Director)

(Director)

Annexure A

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. INDUSTRY STRUCTURE & DEVELOPMENT

Merchant Banking and Financial Services market is fast growing over the last few years. Merchant Banker services includes providing merchant banking services like Public Issue Management i.e., acting as manager / lead manager to the public issues, right issues, open offer under Takeover Code, Buy Back Scheme, Portfolio Management Services, private placement of debt and equity instruments. The present position of stock market in India has opened new era for finance industry.

GLOBAL ECONOMY:

The global economy seems to be recovering after the recent economic shock. The Indian economy, however, was hit in the latter part of the global recession and the real economic growth has witnessed a sharp fall, followed by lower exports, lower capital outflow and corporate restructuring. The global economies are expected to continue to sustain themselves in the short-term, as the effect of stimulus programs is yet to bear fruit and tax cuts are working their way through the system in 2010. Due to the strong position of liquidity in the market, large corporations now have access to capital in the corporate credit markets.

India's Economic Outlook Projection				
	2007	2008	2009	2010
GDP Growth	9.40%	7.30%	5.40%	7.20%
CPI	6.40%	9.30%	5.50%	4.90%

INDIAN ECONOMY

In order to keep the economic growth during the time of worst recession, a Federal authority in India has announced the stimulus packages to prop-up the economic growth. To finance the stimulus packages, Indian Government has raised over \$100 billion over the last four quarters in a way to finance the stimulus package. Country's Public debt, according to the latest data has zoomed to over 50% of the total GDP and India's Central bank, Reserve Bank of India has started printing new currency notes.

CENTRAL GOVERNMENT DEBT			
Gln Rs. Crores (10 Million)	Q3 2008	Q3 2009	% of GDP
Public Debt (Sum of 1 and 2)	2,099,286.23	2,505,450.74	50.71%
1. External Debt	237,351.77	294,941.67	
2. Internal Debt	1,861,934.46	2,210,509.07	

Going forward, India will see sharp rise in supply side inflation, after the effect of large government borrowings, printing of new currency notes, rise in food prices due to huge gap in demand-supply. Interest rates will also expected to rise awkward, as the central bank will take precautionary measure to contain inflation rate and expanding money supply.

For the equity markets, investors are still in a quest for a higher return and turned down their investments in Government Bonds/Securities. There is lot of money which is still available to readily invest into the equity markets. Indian financial markets expected to be range-bound as the fear of higher valuation would be the concern for a sort while. Moreover, volatility is expected to come down as the market timings has been extended by an hour in parallel to the other Asian equity markets. This will help the Indian markets to hit newer highs which, we have been waiting for more than two years. There is no extra concern on the front of equity markets, as the Equity, nowadays, considered as the best asset class to invest in, the main reason would be the overstated potential of precious metals like Gold and Silver, which has seen a sharp rally last year, in a time of gloomy economic picture.

B. OUTLOOK

Indian Economy is expected to grow between 6% and 7% for the FY 2010-11. In 2008, growth has slackened to below 7% after achieving spectacular growth. In first half of 2009, economy responded positively and the economic indicators are showing strength in the overall economy, though the nasty monsoon has modestly hampered the growth and rising risk of inflation would be a worrisome for the RBI while taking the monetary decision.

India's Economic Outlook Projection					
Details	2007	2008	2009	2010	2011
(Figures in per cent)					
Real GDP Growth	9.6	5.1	6.6	8.3	8.5
Inflation	5.4	7.4	4.6	7.7	6.1

C. RISKS & CONCERNS

The business of your company totally depends upon the changes taking place in the economy either it be relating to fluctuations in stock and capital market, regulations governing such markets, government policies, taxation policies, changes taking place in global economies, etc.

D. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The revenues of the Company for the year under review were Rs. 21.98 Lacs as compared to Rs. 31.64 Lacs for the previous year. The net Loss of the year under review was Rs. 56.80 Lacs as against net Loss of Rs. 207.31 Lacs in the previous year.

E. INTERNAL CONTROL AND ADEQUACY

The Company has a defined organization structure and has developed well policy guidelines with predefined authority levels. An extensive system of internal controls to ensure optimal utilization of resources and accurate reporting of financial transactions and strict compliance with applicable laws and regulations has also been implemented. The Company has put in place sufficient systems to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded and reported correctly. Also, the company has an exhaustive budgetary control system to monitor capital related as well as other costs, against approved budgets on an ongoing basis.

F. MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT

The Company's human resources philosophy is to establish and build a strong performance driven culture with greater accountability and responsibility at all levels. To that extent the Company views performance and capability as a combination of the right people in the right jobs, supported by the right processes, systems, structure and metrics.

The industrial relations climate of the Company remained cordial during the year and continues to be focused towards improving quality and capability.

G. CAUTIONARY STATEMENT

Statements in this "Management Discussion and Analysis" describing the Company's objectives, expectations or predictions are forward looking within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement depending on various factors and circumstances.