

Board of Directors

Shri Bimal Aggarwal
Shri Ramesh Kumar
Shri Sunil Kataria

Auditors

PARM & SMRN
Chartered Accountants

Bankers

Union Bank of India

Registered Office

3A, KHAN MARKET,
New Delhi - 110003.

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE NINETEENTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF FMec INTERNATIONAL FINANCIAL SERVICES LIMITED. WILL BE HELD ON SATURDAY, THE 29TH SEPTEMBER, 2012 AT REGISTERED OFFICE OF THE COMPANY.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012, the Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditor's thereon.
2. To appoint a Director in place of Mr. Sunil kataria who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.
4. To appoint Company Secretary in practice and to fix their remuneration M/s A. K. Verma & Co. Company Secretary retire at the conclusion of this annual general meeting and are eligible for re-appointment.

By Order of the Board,
For **FMec INTERNATIONAL FINANCIAL SERVICES LIMITED.**

**Sd/-
BIMAL AGGARWAL
CHAIRMAN**

Place : New Delhi
Dated : 03.09.2012

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/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PROXY FORMS IS SENT HEREWITH. PROXY FORM DULY COMPLETED MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE MEETING.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 27th September 2012 to 29th September 2012 (both days inclusive)
3. Members are requested to bring their copy of the Annual Report along with them at the Annual General Meeting. No copy of the Report will be distributed in the meeting.
4. Members are requested to send their queries, if any, at least 14 days in advance of the Meeting addressed to the director operation at the Corporate Office at New Delhi, so that the information can be made available at the Meeting.

DIRECTOR'S REPORT

Your Directors have pleasure in presenting the Nineteenth Annual Report and the Audited Accounts of the Company for the year ended 31st March 2012.

FINANCIAL RESULTS

	(Rupees in lacs)	
	Year Ended 31.03.2012	Year Ended 31.03.2011
Profit before Depreciation & Interest	-0.29	-0.38
Depreciation	0.00	0.00
Interest	0.00	0.00
Profit before tax	-0.29	-0.38
Provision for tax/ Deferred Tax	0.09	0.11
Profit after tax	-0.20	-0.27

OPERATIONS

Your company has strategically devised its business through its subsidiaries and by making separate business center. The company has incurred a loss of Rs. 0.20 lacs as compare to Rs.0.27 lacs of previous year. Yours directors expect good return from the business of subsidiary and the present status of the state of affairs of the subsidiary company are annexed herewith. The company has decided to focus non fund based services and started making feasibility in the non fund based sector.

DIVIDEND

In view of the loss during the year the company has not declared any dividend for the year.

DIRECTORS

Mr. Suresh kataria is liable to retire by rotation at the forthcoming Annual General Meeting of the company and being eligible offers him self for the reappointment.

AUDITORS

M/s PARM & SMRN, Chartered Accountant retire at the conclusion of Annual General Meeting and are eligible for reappointment.

COMPLIANCE CERTIFICATE

A Secretarial Compliance Certificate received from M/s A. K. Verma & Co. Company Secretary in whole time in practice, pursuant to section 383 (A) of the Companies Act, 1956 is annexed to this Report.

M/S A. K. VERMA & CO., Company Secretary in Whole Time Practice who retires at the conclusion of this Annual General Meeting are eligible for re-appointment. Your Board has recommended his re-appointment.

EMPLOYEES

There is no employee with the company covered under section 217 (2A) of the Companies Act, 1956.

DIRECTORS RESPONSIBILITY STATEMENT

Your directors are pleased to state the following pursuant to the provision of section 217 (2A) of the Companies Act, 1956.

- i) That in the preparations of the annual accounts, for the financial year ended 31st March 2012 the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent to as to give a true and fair view of the state of affairs of the company at the end of the Financial Year and of the losses of the company for the year under review.
- iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors had prepared the annual accounts for the Financial year ended 31st March 2012 on a going concern basis.

FIXED DEPOSITS:

The company has not accepted any deposits from the public, during the last financial year within the meaning of section 58A of the Companies Act, 1956 and the rules made there under.

SUBSIDIARIES COMPANY

The annual report of the subsidiary company for the year ended 31st March, 2012
Annexed here to.

CONSERVATION OF ENERGY

Since your company is a finance company, this provision is not applicable.

RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

Since your company is a finance company, this provision is not applicable.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There is no foreign exchange earning and outgo during the year under
consideration.

BANKER

Company's banker is Union Bank of India at 14/15 -F, Connaught Place, New
Delhi-110001. Company is maintaining no other bank account since 2004.

ACKNOWLEDGMENT

Your director's wish to place on the record their sincere appreciation for the whole
hearted co-operation and assistance extended by the bankers to the company. The
board also wishes to place on record its appreciation for the dedicated services of
the staff and officers of the company at all levels.

For and on behalf of the Board of Directors

Sd/-
CHAIRMAN
Place: New Delhi
Date : 03.09.2012

FMec INTERNATIONAL FINANCIAL SERVICES LIMITED

CORPORATE GOVERNANCE REPORT (Forms Part of the Director's Report)

1. The Company believes that good Corporate Governance embraces business practices which result in enhancement of the value to shareholders and simultaneously enable the company to fulfill its obligations to the other stakeholders such as customers, employees and to the society in general.

The company taken utmost care to make corporate governance to balance individual interest with corporate goals by operating within accepted norms off propriety, fair play and a sense of justice and continues to remain committed to fairness, transparency, accountability and responsibility. In this report the company confirms its compliance with corporate governance as required by Clause 49 of the listing agreement with the Stock Exchange.

2. Board of Directors

The Board of Directors of the Company are consisting of three Directors out of which one is the Director Operation besides other two non- executive Directors of the company.

The Board comprises – three Directors – The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorship and Committee Membership held by them in other companies are given below: -

Name	Category Of Directorship	No. of Board Meetings attended during 2011-2012	Whether attended AGM held on 29 th September 2012	No. of Directorship in other Public Companies	No. of Memberships of Board sub committees
Bimal Aggarwal	DIRECTOR OPERATION	9	Yes	-	-
Mr. Ramesh Kumar	Non – Executive Director	9	Yes	-	-
Mr. Sunil Kataria	Non – Executive Director	9	Yes	-	-

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3. Audit Committee

As the paid up share capital of the company is less than Rs. 5 crores the provision of section 292 A regarding Audit committee are not mandatory on the company.

4. Remuneration Committee

The Company had yet not constituted a Remuneration Committee. In the coming years, the Company is going to constitute Remuneration Committee. The terms of reference of the Remuneration Committee are to recommend the Board salary (including annual increments), perquisites and commission to be paid to the Company's Managing/ Whole-time directors (MD/WTDs), to finalise the perquisites package within the overall ceiling fixed by the Board, to recommend to the Board retirement benefits to be paid to the MD and WTDs under the Retirement Benefit Guidelines adopted by the Board.

Remuneration Policy

The Company while deciding the remuneration packages of the senior management members takes into consideration the following items:

- a) employment scenario
- b) remuneration package of the industry and
- c) remuneration package of the managerial talent of other industries.

The Non Executive Directors are not paid any remuneration except Sitting Fees for the Board Meetings attended by them.

Detail of Remuneration paid during 2011-2012 are as under:

No Remuneration was paid during the year to any director

5. Brief details of General Body Meetings:

The Nineteenth Annual General Meeting of the Company for the financial year 2011-2012 would be held on Saturday, 29th September 2012 at 12.00 Noon at 3A, Khan Market, New Delhi-110003.

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The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Location
2010 - 2011	30.09.2011	11.00 a.m.	3A, Khan Market, New Delhi-110003
2009-2010	30.09.2010	11.00 a.m.	308B, Multi Story DDA Flats, Sector-18B, Dwarka, New Delhi-110075
2008-2009	29.09.2009	2.00 p.m.	509, Arunachal Building, 19 Barakhamba Road, New Delhi -110001.

6. Disclosures:

i) Internal Audit Functions and Statutory Compliance:

Internal Audit functions of the company have been carried out by own internal department.

For every quarter, the Director operation makes report of Statutory compliances which are placed before the Board Meeting.

ii) Directors with materially significant related party transactions, pecuniary or business relationship with the company:

There were no materially significant transactions with the Directors or the management or their subsidiaries or relatives that have any potential conflict with the interest of the Company.

iii) Details of Non - compliance:

The company has not deposited the listing fees & not published the quarterly & annual results & not deposited with the Delhi Stock Exchange.

iv) Disclosures by Management of the Board:

All details relating to financial and commercial transactions where Directors may have a potential interest are not provided to the Board, and the interest Directors participate in the discussion, nor do they vote on such matters.

FMec INTERNATIONAL FINANCIAL SERVICES LIMITED

v) General Shareholders Information:

- a) Date, time & venue of 19th AGM :** Friday, 29th September 2012
3A, Khan Market, New Delhi-110003
- b) Date of Book Closure :** 27.09.2012 to 29.09.2012
- c) Listing on Stock Exchange :** Delhi(DSE)
- d) Registered Office :** 3A, Khan Market, New Delhi-110003
Phone: 9811649777
- e) Compliance Officer :** Mr. Bimal Aggarwal
FMec International Financial
Services Limited
3A, Khan Market, New Delhi-110003.s
- f) Share Transfer System :** The Company has own internal share transfer system. Shares sent for physical transfer are registered promptly within 15 days from the date of receipt of completed and validly executed documents.
- g) Financial Calendar :** Year ending: 31.03.2012
A.G.M.: 29.09.2012
Dividend payment: Nil

h) Categories of Shareholders : No. of Shares % of Shares

(as on 31.03.2010)

Directors, Relatives, Promoters, Group Companies	:	365375	11.78%
Companies/Bodies Corporate (Other than Promoters Company) and General Public	:	2735325	88.22%

v) Distribution of Shareholding as on 31.03.2012

Range	Shareholders		Shares		
	No. of Shares	Numbers	% to total	Numbers	% to total
UPTO 500		121	0.003935	60500	1.95117
501 TO 1000		201	0.006482	189400	6.108298
1001 TO 2000		27	0.000871	48600	1.567388
2001 TO 3000		35	0.001129	88500	2.854194
3001 TO 4000		4	0.000129	15000	0.483762
4001 TO 5000		19	0.000613	90900	2.931596
5001 TO 10000		10	0.000323	68750	2.217241
10001 AND ABOVE		33	0.001032	2539050	81.88635
TOTAL		450		3100700	100%

ii) Stock Market price data for the year 2011 - 2012

There is no trading in the Delhi Stock Exchange during 2011-2012

viii) Corporate Ethics.

The consistent endeavor of FMec International Financial Services Limited is to enhance the reputation of the Company and irrespective of the goals to be achieved, the means are as important as the end.

ix) Postal Ballots:

There have been no ordinary or special resolutions passed by the Company's Shareholders through postal ballot.

Sd/-

(CHAIRMAN)

Dated: 03.09.2012