

**2013-14**

# **ANNUAL REPORT**

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**MEFCOM CAPITAL MARKETS LIMITED**

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## Board of Directors

Mr. Vijay Mehta Chairman  
Mr. Sham Nijhawan  
Mr. Shailendra Haruray  
Mr. Tarsem Garg  
Mr. T.R. Khare

## Company Secretary

Ms. Pinki Jha

## Bankers

HDFC Bank Limited  
ICICI Bank Limited  
Oriental Bank of Commerce

## Auditors

V.K. Dhingra & Co.  
Chartered Accountants  
1-E/15, Jahndewalan Extn.  
New Delhi - 110055

## Registrar and Shares Transfer Agent

Beetal Financial & Computer Services Pvt. Ltd.  
Beetal House, 99, Madangir, New Delhi - 110062

## Registered Office

5th Floor, Sanchi Building,  
77, Nehra Place,  
New Delhi - 110019  
Ph. : 011-4650 0500  
E-mail : invest@mefcom.in  
CIN No. : L74899DL1985PLC019749



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**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE 29TH ANNUAL GENERAL MEETING OF THE MEMBERS OF MEFCOM CAPITAL MARKETS LIMITED WILL BE HELD ON SATURDAY, THE 5TH JULY, 2014 AT 11.30 A.M. AT E-15, ANSAL VILLAS, SATBARI, NEW DELHI – 110030 TO TRANSACT THE FOLLOWING BUSINESS;

**ORDINARY BUSINESS:-**

- To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and Profit and Loss Account for the year ended on that date along with the Report of Directors and Auditors thereon.
- To appoint a Director in place of Mr. Tarsem Garg, who retires by rotation, and being eligible, offers himself for re-appointment.
- To appoint a Director in place of Mr. Shailendra Hruary, who retires by rotation, and being eligible, offers himself for re-appointment.
- To appoint Auditors of the company to hold office from the conclusion of this Annual general Meeting until the conclusion of the next Annual General Meeting on such remuneration as the Board may decide.

**SPECIAL BUSINESS:-**

- No special business is proposed to be transacted at the meeting.

By order of the Board  
For Mefcom Capital Markets Ltd.

**Registered Office**  
5th Floor, Sanchi Building,  
77 Nehru Place  
New Delhi – 110019

Place: New Delhi  
Dated :May 30, 2014

**NOTES:-**

**A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Proxy, in order to be effective, should be duly stamped, filled, signed and must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

M/s Beetal Financial & Computer Services Pvt. Ltd., 99, Beetal House, Madangir, New Delhi - 110062, are the Registrars and Share Transfer Agents of the Company for electronic mode and transfer of shares held in physical form. Pursuant to the directions of Securities & Exchange Board of India (SEBI), trading of the shares of the Company is compulsory in de-materialized form for all investors.

The ISIN No. of the Company is **INE186C01015**.

Register of Members and the Share Transfer books of the Company shall remain closed from July 4, 2014 to the July 5, 2014 (both days inclusive) in connection with the 29th Annual General Meeting of the Company.

Shareholders are requested to intimate to M/s Beetal Financial & Computer Services Pvt. Ltd., 99, Beetal House, Madangir, New Delhi – 110062, regarding change, if any, of their postal as well as E-mail address for mailing purposes.

Keeping in-view of the new provision of Ministry of Corporate Affairs (MCA) Government of India, the Company may send various notices/documents to its members through electronic mode to the registered e-mail address of the shareholders. In view of this, the shareholders are requested to provide their e-mail IDs to the Company duly mentioning their Folio No., Name and number of shares held as on date. This can also be sent by electronic mode to the Company at following e-mail IDs of the Company / or its RTA:-

a)r.n.yadav@mefcom.in  
b)beetalrta@gmail.com

The shareholders, who have not converted their shares into demat form, are requested to do so, in their own interest.

The documents referred to in the proposed resolutions are available for inspection at the registered office of the Company during working hours between 10.00 A.M. and 1.00 P.M. except on holidays.

Members desiring information / clarification on the accounts are requested to write to the company at its registered office at least seven days before the date of the annual general meeting so that the same may be responded in the meeting.

Members attending the meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the meeting's venue.

Members holding shares in physical form can avail the nomination facility by filing form 20B (in duplicate) with the Company's Registrar and Share Transfer Agents which will be made available on request and in case of shares held in dematerialized form, the nomination has to be lodged with their DP. Members holding shares in dematerialized form may contact their DP for recording nomination in respect of their equity shares.

As required under Clause 49(IV) G of the Listing Agreement with the Stock Exchange, the relevant details of Directors retiring by rotation and seeking re-appointment at the ensuing AGM are furnished in the Corporate Governance section of this Annual Report.

Members are requested to bring their copies of the Annual Report to the meeting.

The Company has designated exclusive e-mail ID viz r.n.yadav@mefcom.in to enable investors to send their complaints /queries if any.

By order of the Board  
For Mefcom Capital Markets Ltd.

**Registered Office**  
5th Floor, Sanchi Building,  
77 Nehru Place

Place: New Delhi  
Dated :May 30, 2014

Sd/-  
(Pinki Jha)  
Company Secretary

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 29th Annual Report together with the Audited Accounts of the company for the year ended 31st March 2014.

## FINANCIAL RESULTS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2014 (Rs. IN LACS)	FOR THE YEAR ENDED 31ST MARCH, 2013 (Rs. IN LACS)
Gross Income	129.96	356.94
Total Expenses	113.30	355.52
Profit / (Loss) before Interest, Depreciation and Tax	16.66	1.42
Depreciation	5.92	7.43
Interest	2.08	5.43
Provision for Income Tax (incl. fringe benefit tax)	0.00	0.00
Prior period expenses	0.00	0.03
Profit / (Loss) after	8.66	(11.47)

## OPERATIONS AND FUTURE OUTLOOK

Your Company has earned a net profit of Rs.8.66 lacs against a loss of Rs.11.47 lacs in the previous year.

Your company has increased its income from Merchant Banking activities to Rs.38.95 Lacs in comparison to previous year where we had income of 14.45 Lacs only.

Your directors are putting their best efforts for the growth of the company.

## DIVIDEND

With a view to conserve resources of the company, the Directors of the company do not recommend any dividend.

## SUBSIDIARY COMPANIES

The company has one subsidiary company namely M/s Mefcom Securities Ltd. There has been no material change in the nature of the business of the subsidiary.

Pursuant to the provisions of Section 212(8) of the Companies Act, 1956, Ministry of Corporate Affairs vide its circular No.2/2011 dated 8th February, 2011 has granted general exemption from attaching the balance sheet, statement of profit and loss and other documents of the subsidiary company with the balance sheet of the company. A statement containing brief financial details of the subsidiary company for the financial year ended March 31, 2014 is included in the Annual Report. The annual accounts of the subsidiary and the related detailed information will be made available to any member of the Company/its subsidiary at the registered office of the company. The annual accounts of the said subsidiary will also be available for inspection, as above, at the registered office of the respective subsidiary company. The Company furnish a copy of the details of annual accounts of subsidiary to any member on demand.

## CORPORATE GOVERNANCE / MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per Clause 49 of the Listing Agreement with Stock Exchange, the Company has adopted a Code of Conduct which is applicable to the members of the Board and senior management. The Company fully complies with the Corporate Governance practices as enunciated in the Listing Agreement, Corporate Governance Report and Management Discussion and Analysis Report are annexed and marked Annexure-1, which form part of this report.

## PUBLIC DEPOSIT

During the year under review, the company has not accepted any deposits as defined under section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules 1975.

## DIRECTORS

In Accordance with the provisions of Companies Act, 1956 and Articles of Association of the company, Shri Shri Shailendra Haruray and Shri Tarsem Garg are liable to retire by rotation at the ensuing Annual General Meeting, but being eligible offers themselves for re-appointment. The Board recommends their re-appointment.

## DIRECTORS RESPONSIBILITY STATMENT

In accordance with Section 217 (2AA) of the Companies Act, 1956, your directors confirm that:

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.

- (b) The directors had adopted such accounting policies and are applying them consistently and to make judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March, 2014 and of the losses of the Company for that year.
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (d) The directors had prepared the annual accounts of the Company for the year ended March 31, 2014 on a "Going Concern" basis.

#### AUDIT COMMITTEE

In accordance with the requirement of Clause 49 of the Listing Agreement with Stock Exchange, the Board has constituted the Audit Committee which comprised 3(three) Independent Directors viz Shri Tarsem Garg (Chairman) Shri Sham Nijhawan Shri Shri Shailendra Haruray besides Shri T.R.Khare as a member.

The composition, role, functions and powers of the Audit Committee are in accordance with the applicable laws and the Listing Agreement with the Stock Exchange.

#### AUDITORS

##### Statutory Auditors

M/s V. K. Dhingra & Company, Chartered Accountants, New Delhi, hold office as the Auditors of the Company until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. They have furnished a Certificate to the effect that the re-appointment, if made, would be within the limits prescribed under the Section 224(1-B) of the Companies Act, 1956.

#### AUDITORS' REPORT

As regards the Auditors' observations the relevant Note in Significant Accounting Policies, Notes on Accounts and other disclosures are self-explanatory and, therefore, do not call for any further comments.

#### CONSERVATION OF ENERGY

- The company is engaged in providing financial services and such operations do not account for substantial energy consumption. However the company is taking all possible measure to conserve the energy. Several environment friendly measures have been adopted by the company such as:
- Installation of TFT monitors that save the power.
- Automatic power shut down of the monitors
- Creating environmental awareness by way of distributing information in electronic form.

- Minimizing Air-Conditioning usage.
- Shutting off all the lights when not in use.
- Education and awareness programs for the employees.

The management frequently puts circulars on the corporate intranet for the employees, educating them on ways and means to conserve electricity and other natural resources and ensures strict compliance with the same.

#### TECHNOLOGY ABSORPTION

The management understands the importance of technology in the business segment in which the company works and lays utmost emphasis on the system development and innovation with the use of new technological advancements. During the year the company has installed several software's and this effort will reduce the unnecessary usage of paper and manpower.

#### FOREIGN EXCHANGE EARNING AND OUTGO

During the year under review, company did not have any foreign exchange earning and outgo.

#### DEMATERIALISATION OF SHARES

In pursuance of SEBI / Stock Exchange directions, your Company offered demate option to its esteemed shareholders so as to enable them to trade the shares in the demate form. In response, 96.08% shares have been converted into demat form up to 31st March, 2014. The ISIN Number – INE186C01015.

#### PARTICULARS OF EMPLOYEES

During the year under report, the relations between the Company's management and its staff continued to remain cordial. The Directors place on record their deep appreciation of the devoted services of the staff and executives.

No employee of the company is getting remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975, as amended.

#### ACKNOWLEDGEMENT

Your directors wish to express their grateful appreciation for the co-operation and assistance extended to the company by various Government departments, regulators, stock exchanges, other statutory bodies and bankers to the company. The directors thankfully acknowledge the continuous support and guidance of all the shareholders and, more importantly, for the confidence reposed in the Company's management.

By order of the Board  
For Mefcom Capital Markets Ltd

Place: New Delhi  
Dated: May 30, 2014

Sd/-  
(Vijay Mehta)  
Chairman

## Statement Pursuant to Section 212 of the Companies Act 1956 relating to Subsidiary Companies

	Name of the Subsidiary Company	Mefcom Securities Ltd.
1.	Financial Year of the subsidiary companies ended on	31st March, 2014
2.	(a) Issued subscribed and paid-up capital of subsidiary companies.	50, 00,000 Equity Shares of Rs.10/- each.
	(b) Extent of interest of Mefcom Capital Markets Ltd. in	29, 99,900 Equity Shares of Rs.10/-each. (60%)
3.	The Net aggregate amount of Profits/(Losses) of the subsidiary so far as it concern the members of Mefcom Capital Markets Ltd. and is not dealt with in the Accounts of	
	a) For the financial year 31st March, 2013.	(1733447)
	b) For the previous financial years of the subsidiary since it	(5500127)
4	Net aggregate amount of profit/ (losses) of the subsidiary so far as dealt with or provisions made for those losses in the accounts of Mefcom Capital Markets Ltd.	
	a) For the financial year ended 31st March, 2013.	Nil
	b) For the previous financial years of the subsidiary since it became subsidiary of Mefcom capital Markets Ltd.	Nil

For and on behalf of Board of Directors

Place: New Delhi  
Dated: May 30, 2014

Sd/-  
(Vijay Mehta)  
Chairman

## Forming part of Directors Report MANAGEMENT DISCUSSION AND ANALYSIS

### INTRODUCTION

Management Discussion and Analysis mainly comprises the statements which, inter alia involve predictions based on perceptions and may, therefore, be prove to risk and uncertainties. It is the sum total of the Company's expectations, beliefs, estimates and projections which may be forward looking within the meaning of applicable securities, laws and regulations. The actual results could differ materially from those expressed herein specifically or impliedly.

The important factors that could make difference to the Company's operations, changes in Government regulations, tax regimes, economic developments within India and countries in which the Company conducts business.

### Overview of the Indian Economy

The economic slowdown bottomed out last year. A spell of global financial turbulence caused capital outflows and pressure on the exchange rate, but strong policy measures stabilized the currency, rebuilt reserves, and narrowed the excessive current account deficit. Weaknesses remain, however, and include persistent inflation, fiscal imbalances, bottlenecks to investment, and inefficiencies that require structural reforms. Without a systemic resolution to these, growth is forecast to pick up modestly.

The government's initial estimates peg the growth in gross domestic product (GDP) at 4.9% in Fiscal Year 2013 (ended 31 March 2014), slightly higher than the ADO Update 2013 forecast of 4.7%. The estimate could be a tad optimistic, as achieving it would require growth to be boosted to 5.5% in the fourth quarter of FY2013. The marginal pickup in headline GDP growth masks underlying weakness in the economy as it was due to stronger agriculture. Excluding agriculture, GDP growth slipped from 5.0% in FY2012 to 4.9% in FY2013.

The recovery of the monsoon in the season's second half in 2012 and a good monsoon in 2013 helped agriculture to grow by 4.6% in FY2013, though growth moderated somewhat in the second half of the year. Food grain production is estimated to have increased by 2.4% in FY2013, reaching a record of 263.2 million tons.

After growing by a tepid 1.0% in FY2012, industry decelerated further to 0.7% in FY2013. While mining has been in the red for nearly 2 years because policy bottlenecks plaguing coal and natural gas have seen little resolution, the contraction in manufacturing output was a new low. Continuing contraction in the output of capital goods and consumer durables reflects very weak investment and consumer demand. Bottlenecks restricting fuel supplies have hampered electricity generation.

The industrial slowdown and weak recovery in advanced economies caused growth in services to drop below 7%. Trade, hotels, transport, and communication services, which together

account for more than a quarter of GDP, saw growth slump to 3.5% in FY2013 as industry weakened and consumption dried up. Growth in the large financial services industry is estimated at a healthy 11.2%. However, much of this expansion is attributed to strong deposit mobilization as large inflows came from Indian nonresidents under a temporary foreign exchange swap window. This appears to be largely a one-off event.

### Indian Financial Services Sector-Prospects and challenges

Driven by sustained Foreign Institutional investment, and buoyed by election euphoria, we saw the markets touching all time high this year. The various steps taken by the Central Government and the new RBI regime in order to bring down CAD, support rupee, boost manufacturing and curb rising inflation has indeed sent out positive vibes, even though, such measures are yet to translate into growth numbers. Thus, as we usher in a new year, and as equity indices are near record peaks, market participants wonder, if we are at the cusp of a powerful rally, or a disappointing fall. Meanwhile, general elections scheduled for 2014, pose grave risk to year end projections.

### FII Migration

While there have been strong FII inflows to India in 2013, China is increasingly becoming more attractive with recent signs that the country will continue to develop its financial markets. According to reports, China-focused hedge funds managed USD12.9 billion in assets as of the end of September, exceeding levels before the global financial crisis. In September 2013, China had announced a basic plan for a newly established free-trade zone in Shanghai that would give foreign companies greater freedom in the country's tightly regulated financial markets and the regulators are expected to promote oil derivatives and allow securities and futures companies in the zone to engage in over-the-counter trading in commodities and financial derivatives in the domestic market. Also there are reports that China has approved a new plan to allow US investors to indirectly access its stock markets which is seen as a major step towards opening up of their markets. So, a good part of the money that has already come to India, could as well as go to China or other emerging economies.

### Elections bring hope, not assurance

Recent market rallies around assembly elections have given us a glimpse of what markets could do in the event of a political environment that is more favorable to business. While popular sentiments as well as media reports see a new government with BJP at the center as a game changer for markets and economy, it is simplistic to imagine that a single party could pull its weight effectively enough in the present fragmented political picture. Or to imagine that the stubborn challenge of inflation or the nagging problem of global economic slowdown can be dismissed by a couple of policy changes. In a cricket parlance, we know how good or bad the pitch is, only after the second team has batted. On an optimistic note, sometimes, a change in face or approach could do what a dozen of policies could not. Such hope could keep the markets upwardly projected through the year though, the trading ranges and volatility could be bigger, as we would consistently bump into rough weather owing to inflationary pressure on growth initiatives, which may be fairly expected to be

After that last rate announcement of the year, having maintained rates, RBI Governor Raghuram Rajan told that "I also want to emphasize that it shouldn't be taken that we're on hold. We are waiting for data. Hence as the data come in, we will react appropriately." If that be the case, we have a real problem.

#### Newer peaks in 2014; newer products-Opportunity for Company

Your Company along with its subsidiary company – Mefcom Securities Limited, offer its clients an integrated financial services platform by offering various financial services and products covering equity broking, F & O, and portfolio advisory. It also proposes to offer trading in currency derivatives also in the next financial year. Our integrated service platform allows us to leverage relationships across the lines of businesses and our industry and product knowledge by providing multi-channel delivery systems to our client base. Though the peaks seen around December elections fizzled off soon, it is indicative of a potential that is waiting to be harnessed. The persistence and the quantum of FII money that has flowed into Indian financial markets are impressive. According to data compiled from SEBI, FIIs have invested over one lakh crore rupees in the Indian stock market so far in 2013, which is suggestive that markets are poised for bigger up moves in 2014. Meanwhile, DIIs have been net sellers of over 9000 crore rupees in November, which is consistent with the trend of retail investors, whose decisions influence MFs, Insurance companies, liquidating at recent peaks. This also suggests that we could have more retail participation once newer peaks are seen. Further, with inflation remaining a persistent theme in the last one year, real savings have been difficult, and the launch of inflation indexed bonds could, possibly, influence the way investors approach several savings modes, especially with inflation priced in. This could also increase interest in bonds. Mergers and Acquisitions, which at around \$28 billion in 2013 has been at the lowest level in three years. With improving macroeconomic fundamentals, year 2014 could see more such M&As. Investors who track such moves closely would be able to benefit from value-unlocking.

Being an investment banking company, your company seeks opportunities in the capital market activities in which most of our activities depend on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market. The economic crisis in some countries in the Europe and Middle East has added some volatility globally and Indian stock market has not yet decoupled from such global trends.

#### SWOT Strengths

- Transparent functioning
- Innovative I. T solutions for customers
- Emphasis on building stronger bond with customers
- Services offered include Equity Trading, IPO and Investment Advisory
- Competent management team
- Focus on quality and service

#### Weaknesses

- Lack of PAN India presence
- Indians are mostly conservative and prefer investing in Gold and Real Estate

#### Opportunities

- High purchasing power and people looking to more investment opportunities
- Growing rural market
- Earning Urban Youth
- New development oriented Government

#### Threats

- Stringent Economic measures by Government and RBI
- Entry of foreign firms in Indian Market

#### Segment-wise Performance

The Company has considered business segment as the primary segment. Segments have been identified taking into account the nature of the activities, the differing risks and returns, the organization structure and internal reporting system. There are no reportable geographical segments.

Segment wise information can be viewed in Note No.30 annexed to and forming part of Balance Sheet as at and Profit & Loss Account for the year ended on 31st March 2013

#### Operations and Future Outlook

The Company has shown a net profit of Rs.8.66 Lacs this year as mentioned above substituting the loss for the last financial year. It is because this year we increased our activities in Merchant Banking services as well as increased income from other major activities in the capital market.

The Company holds permanent registration as Merchant Bankers from SEBI. Earlier your company has entered into a joint venture with Beaufort Merchant Bank of London to explore overseas assignments, but it could not get desired results because of global slowdown. The small and medium companies have now got a separate SME platform to list their shares so now even small companies can go for IPO which will also help to increase the business of your company. It is expected that company will grow in future and will give better results as the capital market is expected to do better in future.

#### Risks & Concern:

The stock broking industry has recently witnessed intense competition, falling brokerage rates and the entry of several big players. The company's subsidiary company continues to achieve cost efficiencies through the application of technology.

The capital market industry in which your Company is operating is subject to extensive regulation. The Company evaluates the technological obsolescence and the associated risk and makes investment accordingly



**Internal Control Systems & their adequacy:**

The company has proper and adequate systems of internal control in order to ensure that assets are safeguarded and transactions are duly authorized, recorded and reported correctly. With the Implementation of new systems, internal control will get further reinforced through system based checks and controls.

Internal Audit function is being looked after by a professional firm of Chartered Accountants. They independently evaluate the adequacy of internal control system. Based on the audit observations & suggestions, follow up & remedial measures are being taken on a regular basis.

**Financial Performance with respect to Operational Performance:****Share Capital**

The paid up equity share capital of the Company as on March 31, 2014 stands at Rs 91,401,680/- divided into 91,40,168 equity shares of Rs 10/- each fully paid up.

**Reserves and Surplus**

During the year under consideration, the reserves and surplus stands at Rs27.57 Lacs

**Investments**

The total investment increased to Rs.612.50 Lacs as at March 31, 2014 against Rs.607.05 Lacs at the end of the previous year as the management has off-loaded a few investments.

**Loan**

Secured Loan stands at Rs2.55 Lacs as at March 31, 2014.

**Total Income**

During the year under consideration, total income was Rs.129.96 Lacs as against Rs.356.94 Lacs in the previous year.

**Other Income**

During the year under consideration, other income was Rs.35.41 Lacs as against Rs28.43 Lacs in the previous year.

**Interest and Finance Charges**

During the year under consideration, total interest and finance charges were Rs.2.08 Lacs

**Human Resources**

The Company has a small but efficient Human Resource Division which is well equipped to meet the present and future growth plans. Relations with employees were cordial throughout the year. The unity of purpose to continuously strive for all round improvements in work practice & productivity is visible among all the employees.

**Cautionary Statement:**

Certain statements in the Management Discussion & Analysis Report describing the company's views about the Industry's expectations/predictions/objectives etc. may be forward looking within the applicable laws and regulations. Actual results may differ materially from those expressed in the statements. Company's operations may be affected with the demand and supply situations, input prices and their availability, changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. Investors should bear the above, in mind.

**For and on Behalf of the Board**

Place : Delhi  
Date : May 30, 2014

Sd/-  
Vijay Mehta  
Chairman

## CORPORATE GOVERNANCE REPORT

### 1 Company's philosophy on Corporate Governance

For Mefcom, maintaining the highest standards of corporate governance is not a matter of mere form but also of substance. It is an article of faith, a way of life, and an integral part of the company's core values. Your company is committed for adopting best global practices of Corporate Governance. The philosophy of Corporate Governance as manifested in the company's functioning is to achieve business excellence by enhancing long term shareholders value and interest of its entire shareholders. Efficient conduct of the business of the company through commitment to transparency and business ethics in discharging its corporate responsibilities are hallmarks of the best practices already followed by the Company.

### 2. Board of Directors Composition

The company is managed by the Board of Directors. The Board has given powers to the Chairman for managing the day to day affairs of the company. The composition and category of Board of Directors is given below:

Category	Name of Directors	Designation
Executive Non-Independent Director	Shri Vijay Mehta	Chairman
Non Executive Non-Independent Director	Shri T R Khare	Director
Non-Executive Independent Director	Shri Sham Nijhawan	Director
Non-Executive Independent Director	Shri Shailendra Haruray	Director
Non-Executive Independent Director	Shri Tarsem Garg	Director

The Board has optimum combination of independent and non independent directors. Non executive independent directors of your company have no pecuniary relationship or any transaction with your company.

### Board Procedure

The members of the Board are provided with the requisite information mentioned in the Listing Agreements well before the Board meetings. The Board considers all the matters which are statutorily required to be considered by it. All the Directors, who are members of the various committees, are within the limits prescribed in the Listing Agreements.

The Directors have intimated, from time to time about their directorship/membership of committees in other companies.

### Board Meeting

The Meetings of the Board of Directors are scheduled well in advance and generally held at the company's office at Nehru Place, New Delhi. The notice confirming the meeting and the detailed agenda is sent well in advance to all the directors

### MEETINGS AND ATTENDANCE OF DIRECTORS

During the financial year ended 31st March 2014, 4 meetings of the Board of Directors of the company were held on the following dates:

S.No.	Date of Meeting	Board Strength	No. Directors Present
1	30.05.2013	5	3
2	31.07.2013	5	3
3	11.11.2013	5	3
4	05.02.2014	5	3

### Other Directorship & Membership

Membership and attendance of each director's at the Board Meetings held during the year and the last Annual General Meeting and the number of other directorship/membership of board committees as on 31st March 2014 is given below: