MEFCOM

Annual Report 2018-19

Mefcom Capital Markets Ltd.

Brokerage • Wealth Management • Investment Banking

Board of Directors

Mr. Vijay Mehta	Chairman & Managing Director
Mr. Sham Nijhawan	Director
Mr. Shailendra Haruray	Director
Mrs. Nisha Ashwani Kumar	Director

Bankers

HDFC Bank Limited
Oriental Bank of Commerce

Auditors

Mrs Doogar & Associates
Chartered Accountants
13 Community Centre East of Kailash,
New Delhi-110065

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, Nehru Place,
New Delhi - 110019
E-mail : invest@mefcom.in

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MEFCOM CAPITAL MARKETS LIMITED

Registered office: 5th Floor, 77, Sanchi Building, Nehru Place, New Delhi-110019
(CIN: L74899DL1985PLC019749) Tel:91-011-46500500 E-mail: invest@mefcom.in

NOTICE

NOTICE is hereby given that the 34th Annual General Meeting of the members of **MEFCOM CAPITAL MARKETS LIMITED** will be held as under:-

DAY: Saturday

DATE: August 3, 2019

TIME: 4:30 P.M.

PLACE: E-15, Ansal Villas, Satbari, New Delhi-110030

to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt:
   a. the Audited Financial Statements of the Company including audited Balance Sheet and Statement of Profit and Loss Account for the Financial Year ended on 31st March, 2019, the reports of the Board of Directors and Auditors thereon; and
   b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2019.
2. To appoint a Director in place of Mr. Vijay Mehta (DIN: 00057151), who retires by rotation, and being eligible, offers himself for re-appointment.
3. Ratification of appointment of M/s Doogar & Associates, Chartered Accountants as Statutory Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution:-

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013("the Act") and the Rules made there under, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to resolution passed at the 32nd Annual General Meeting, appointing M/s Doogar & Associates, Chartered Accountants, Firm Registration No.000561N) as Statutory Auditors of the Company to hold office until the conclusion of 37th Annual General Meeting, the Company hereby ratifies the appointment of M/s Doogar & Associates, Chartered Accountants, as Statutory Auditors of the Company for the Financial Year ending 31st March, 2020 at such remuneration plus reimbursement of out-of-pocket expenses, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and Statutory Auditors."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and /or Company Secretary of the Company, be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

By Order of the Board of Directors
For Mefcom Capital Markets Limited

Vijay Mehta
Managing Director
DIN: 00057151

Place : New Delhi
Date : 28.05.2019

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, IF ANY, INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT (10%) OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

THE PROXY FORM DULY COMPLETED AND SIGNED MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE AGM. BLANK ATTENDANCE SLIP, PROXY FORM AND ROUTE MAP OF THE VENUE OF MEETING IS ATTACHED AND ALSO AVAILABLE ON THE COMPANY'S WEBSITE I.E. www.mefcom.in

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

DETAILS OF DIRECTOR(S) SEEKING APPOINTMENT/RE-APPOINTMENT AS REQUIRED UNDER REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 & SECRETARIAL STANDARD-2 ON GENERAL MEETINGS:

Item No.2

Mr. Vijay Mehta, aged 66 years, has been on Board w.e.f. 01.10.2007. He is is an alumni of SRCC and Faculty of Law, Delhi University with more than 40 years of experience.

Name	Mr. Vijay Mehta
DIN	00057151
Date of Appointment	01.10.2007
Qualification	Graduate in law
Expertise	More than 35 years of experience in Financial Services
Other Directorships	Mefcom Securities Limited Banswara Syntex Limited Association of national Exchanges Members of India IKMA Infoway Private Limited SME Global Business and Technology Forum PHD Chambers of Commerce and Industry
Shareholding in Company	62.87%
Relationship with any Director(s)	Relative of Mrs. Nisha Ashwani Kumar

He has attended 3 Board Meeting during F.Y.2019.

He does not have inter-se relationship with any other Director of the Company except Mrs Nisha Ashwani Kumar, Director of the Company.

None of the Directors of Key Managerial Personnel of the Company or their relatives except Mrs. Nisha Ashwani Kumar & Vijay Mehta is concerned or interested in the resolution.

The Board of Directors recommends resolution set out at item no.2 for your consideration and approval.

1. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, July 27, 2019 to Saturday, August 3, 2019 (both days inclusive)**.

2. Members who hold shares in physical form are requested to send all correspondence concerning registration of transfers, transmissions or any other shares related matter and / or change in address or bank account to R&TA of the Company and in case of shares held in electronic mode, to their respective Depository Participants.

3. Corporate Members are requested to send/attach duly certified copy of Board Resolution/Authority Letter authorizing their representative to attend and vote on their behalf at the AGM, along with the Proxy Form / Attendance Slip.

4. **Members are requested to:**

a. **Note that copies of Annual Report will not be distributed at the AGM and they will have to bring their copies of Annual Report;**

b. **Bring the Attendance Slip at the venue duly filled-n and signed for attending the meeting, as entry to the AGM Hall will be strictly on the basis of the Entry Slip, which will be available at the counters at the meeting venue in exchange of the Attendance Slip.**

c. **Quote their Folio / Client ID & DP ID Nos. in all correspondence with the Company / R&TA;**

d. **Note that no gifts / coupons will be distributed at the AGM.**

5. **SEBI has made it mandatory for the transferee(s) to furnish a copy of PAN card to the Company / R&TA for registration of transfer and for securities market transactions and off-market /private transactions involving transfer of shares in physical form of listed companies. Accordingly, members holding shares in physical mode should attach a copy of their PAN card for every transfer request to the Company/ R&TA.**

6. Members holding shares in multiple folios in physical mode are requested to apply for consolidation to the Company or its R&TA along with relevant Share Certificates. In case of Joint Holders attending the meeting, only such joint holder who is higher in the order of names will be entitle to vote.

7. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to the R&TA of the Company in Form no.SH-13 as prescribed in the Companies (Share Capital and Debentures) Rules, 2014. Blank Nomination form is available at the Registered Office of the Company. In case of shares held in dematerialized form, the nomination form has to be lodged directly with the respective Depository Participant (DP).

8. Members desirous of getting any information on any item(s) of business of this meeting are requested to address their queries at the Registered Office of the company at least ten days prior to the date of the Annual General Meeting, so that the information required can be made available at the time of AGM.

9. The Companies Act, 2013 permits companies to send documents like Notice of Annual General Meeting, Annual Report and other documents through electronic means to its members at their registered email addresses besides sending the same in physical form. Accordingly, the Company proposes to send all documents viz. Notice, Audited Financial Statements, Board's Report and Auditors' Report etc in electronic form to the shareholders whose e-mail IDs are registered with the Company / R&TA. Please note that as a Member of the Company, you are entitled to receive above mentioned and all other documents required under law, free of cost, in physical form on receipt of your request in this regard.

   Members who have not registered their e-mail address so far, are requested to register their e-mail address with the R&TA of the Company / Depository Participant (DP) of respective member and take part in the 'Think Green Go Green' initiative of the Company.

10. The Register of Directors and Key Managerial Personnel (KMP) and their Shareholding maintained under Section 170 of the Companies Act, 2013, Register of contracts and arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection by the Members at the Registered Office of the Company on all working days during business hours and at the time of AGM of the company at the venue of the Meeting.

11. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (LODR) Regulations, 2015 and Secretarial Standard issued by ICSI, the Company is offering e-voting facility to the shareholders to enable them to cast their votes electronically on the items mentioned in the Notice. For this purpose, the Company has engaged the services of National Securities Depository Limited (NSDL) for providing e-voting facility to enable the Shareholders to exercise their right to vote through electronic means in respect of business to be transacted in the AGM. Those Shareholders, who do not opt to cast their vote through e-voting, may cast their vote through ballot paper at the AGM.

    Members whose e-mail IDs are registered with the Company / R&TA will receive an e-mail from R&TA informing user ID and Password. All members are requested to read the following instructions and other information carefully before casting their vote electronically:

    How do I vote electronically using NSDL e-Voting system?

    The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

    Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

    Step 2 : Cast your vote electronically on NSDL e-Voting system.

    Details on Step 1 is mentioned below:

    How to Log-in to NSDL e-Voting website?

    1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

    2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

    3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

       Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

    4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	**Your User ID is:**
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********

c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

(i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

(ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:

a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.

d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company for which you wish to cast your vote.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pkmishra59@yahoo.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

12. The e-voting period commences on July 31, 2019 (09.00 A.M.) and ends on August 2, 2019 (5.00 P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 27 July, 2019, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

13. The voting rights of Members shall be as per the number of equity share held by members as on the cut-off date of July 27, 2019.

14. Mr. Pawan Kumar Mishra, Practicing Company Secretary (Proprietor of P. K. Mishra & Associates, Company Secretaries (Membership No.FCS-4305 and COP no.16222) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the ballot cast by the Members at the Annual General Meeting) in a fair and transparent manner.

15. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated Scrutinizer report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the results of the voting forthwith.

16. The results shall be declared by the Chairman or the person authorized by him in writing not later than three days of conclusion of AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website (www.mefcom.in) and on the website of NSDL (www.evoting.nsdl.com) immediately after the result is declared by the Chairman. Members may also note that the Notice of the 34rd AGM and the Annual Report 2019, will be available on the website of the Company and NSDL.

Any person who acquires shares of the Company and becomes members of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. July 27, 2019, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the company.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forget User Details/Password" option available on www.evoting.nsdl.com or contact at NSDL at the

following Toll free no.:1800-222-990.

In case of any grievance connected with the facility for voting by electronic means, members can directly Mis. Pallavi Mhatre, Manager, NSDL, 4th Floor, 'A' Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai-400 013. E-mail Id: evoting@nsdl.co.in or pallavim@nsdl.co.in Phone no.:022-24994545. Members may also write the Company at the Email Id: invest@mefcom.in

17. Electronic copy of the Annual Report and Notice of the 34th AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose E-mail Ids are registered with the Company/Depository Participants(s) for communication purpose unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report and Notice of the 34th AGM of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent through the permitted mode.
18. The notice of AGM and the copies of Audited Financial Statements, Board's Report and Auditor's Report etc. will also be displayed on the website (www.mefcom.in) of the Company.
19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market, Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN to the Company.
20. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or staying abroad or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holding should be obtained from the concerned Depository Participants and holdings should be verified.
21. Information under Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 & Secretarial Standard-2 on General Meetings in respect of the Director seeking re-appointment at AGM, forms integral part of the notice. The concerned Director has furnished the requisite declarations for his/her re-appointment and his brief profile forms part of the notice.
22. Kindly register your email address and contact details with us, by writing to us addressed to the Secretarial Department at our Registered Office, or at our Email Id: invest@mefcom.in. This will help us in prompt sending of notices, annual report and other shareholders communications in electronic form.
23. The route map of the venue for the AGM is attached herewith and also available on the website of the Company
24. As per Section 118(10) of the Companies Act, 2013, read with the Secretarial Standard 2 on General meetings issued by the Institute of Company Secretaries of India, **"No gifts, gift coupons or cash in lieu of gifts shall be distributed to members at or in connection with the Meeting".**

By Order of the Board of Directors
For Mefcom Capital Markets Limited

Vijay Mehta
Managing Director
DIN: 00057151

Place : New Delhi
Date : 28.05.2019

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 34th Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2019.

Financial Results and performance of the company

The summarized working results for the Financial Year ended on 31st March, 2019 as compared with the previous year are as under:-

(Rs. In Lacs)

	STANDALONE (AS Per IND AS)		CONSOLIDATED (AS Per IND AS)	
PARTICULARS	**YEAR ENDED 31ST MARCH, 2019**	**YEAR ENDED 31ST MARCH, 2018**	**YEAR ENDED 31ST MARCH, 2019**	**YEAR ENDED 31ST MARCH, 2018**
Gross Income	101.05	1883.24	363.81	2573.25
Total Expenses	214.91	1823.10	612.94	2517.62
Profit/ (Loss) before Interest, Depreciation, Tax and Exceptional & Extra Ordinary Items	(113.86)	60.14	(249.13)	55.63
Exceptional Items	---	---	0.21	---
Depreciation	0.59	1.11	1.31	1.30
Interest	0.03	2.31	0.12	3.38
Profit/ (Loss) before Tax	(114.48)	56.72	(250.35)	50.95
Tax Expenses	(3.58)	---	(3.58)	--
Net Profit / (Loss) for the Period	(110.90)	56.72	(246.77)	50.95
Other Comprehensive Income	(190.63)	(123.95)	(192.54)	(151.63)
Total Comprehensive Income for the period	(301.53)	(67.22)	(439.31)	(100.68)
Paid up equity share capital (Face Value per Share Rs. 10/-)	914.02	914.02	914.02	914.02
Earning Per Equity Share – Basic	(1.21)	0.62	(2.10)	0.58
Earning Per Equity Share – Diluted	(1.21)	0.62	(2.10)	0.58

Operations

Your Company has a net loss of Rs. 110.89 Lacs (As per Ind AS) as on 31st March, 2019 against a Profit of Rs. 56.72 Lacs (As per IND-AS) in the previous year ended on 31st March, 2018.

Your Directors are confident of even better working of the company in the Financial Year 2019-20. The company is taking the necessary steps to improve the working of the company in the ensuing year

The Management is putting its best efforts for the growth of the Company.

Consolidated Accounts

The Consolidated Financial Statements of your Company for the Financial Year 2018-19 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued there under, applicable Accounting Standards (Ind AS) and the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Consolidated Financial Statements have been prepared on the basis of Audited Financial Statements of your Company, its Subsidiary and Associate Company, as approved by their respective Board of Directors.

Dividend

The company did not earned any profits during the year, keeping this in view, Directors do not recommend any dividend for the Financial Year 2018-19.

Subsidiary Companies

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

A separate statement containing the salient features of financial statements of the Subsidiary of your Company forms part of Consolidated Financial Statements in compliance with Section 129 and other applicable provisions, if any, of the Companies Act, 2013.

The Financial Statements of the Subsidiary Company and related information are available for inspection by the members at the Registered Office of your Company during business hours on all days except Second Saturdays, Sundays and public holidays up to the date of the Annual General Meeting ('AGM') as required under Section 136 of the Companies Act, 2013. Any members desirous of obtaining a copy of the said Financial Statements may write to the Managing Director at the Registered Office of your Company. The Financial Statements including the Consolidated Financial Statements, Financial Statements of Subsidiary and all other documents required to be attached to this report have uploaded on the website of your Company i.e. www.mefcom.in

Corporate Governance

The compliance with the Corporate Governance provisions as specified in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation 46 and para C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirements) Regulations, 2015 shall not apply to the Company because paid up equity share capital is less than Rs.10 Ten Crores and net worth is less than Rs.25 Crores as on the last day of the previous financial year. Accordingly report under these provisions is not given in the Director Report.

Management Discussion and Analysis

The Management Discussion and Analysis forms an integral part of this report and gives details of the overall industry structure, economic developments, performance and state of affairs of your Company's various businesses viz., the decorative business, international operations, industrial and home improvement business, internal controls and their adequacy, risk management systems and other material developments during the Financial Year 2018-19.

Public Deposit

The Company has neither accepted nor renewed any deposits during the Financial Year 2018-19 within the meaning of Section 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules , 2014 (including any statutory modification(s) or re-enactment(s) for the time being enforce).

Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mr. Vijay Mehta is retire by rotation, retires at the ensuing Annual General Meeting, but being eligible offers himselves for re-appointment. The Board recommends their re-appointment.

Ms. Neha Parbhakar Rawat, Company Secretary cum Compliance Officer of the Company has been appointed w.e.f. 3rd December, 2018 and Mr. Pawan Kumar has been appointed as CFO w.e.f. 13th February, 2019.

As required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information on the particulars of the Directors proposed for appointment/re-appointment has been given in the Notice of the Annual General Meeting.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carries out an evaluation of its own performance, the Directors individually as well as evolution of the working of its Audit Committee, Nomination and Remuneration Committee, the manner in which the evaluation has been carried out.

Number of meetings of the Board of Directors

During the Financial Year 2018-19, the Board of Directors met 4 (Four) times on the following dates:

April to June 2018	28.05.2018	**July to September 2018**	08.08.2018	**October to December 2018**	13.11.2018	**January to March 2019**	13.02.2019

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. All material information was circulated to the directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board.

Audit Committee

During the Financial Year 2018-19, 4 (four) Meetings of the Audit Committee of the Company were held i.e. on May 28, 2018, August 8, 2018, November 13, 2018 and February 13, 2019.

Independent Directors' Meeting:

As per Clause 7 of the Schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent Directors) was held on 28.03.2019 inter-alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Directors' Responsibility Statement

In accordance with the provisions of Section 134 (5) of the Companies Act, 2013, the Directors to the best of their knowledge ability hereby state and confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanations relating to material departures.

(b) the directors had 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 the financial year and of the profit of the company for the period;

(c) the directors had taken proper and sufficient care for 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;

(d) the directors had prepared the annual accounts on a going concern basis;

(e) the internal financial controls to be followed by the Company were laid down and such internal financial controls were adequate and were operating effectively; and

(f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Details in respect of adequacy of Internal Financial Controls with reference to the Financial Statements.

The Company has a robust and comprehensive Internal Financial Control System commensurate with the size, scale and complexity of its

operations. The objective of these procedures is to ensure efficient use and protection of the Company's resources, accuracy in financial reporting and due compliance of statues and corporate policies and procedures. The system encompasses the major processes to ensure reliability of financial reporting, compliance with the policies, procedures, laws and regulations safeguarding assets and economical and efficient use of resources. The policies and procedures adopted by the company ensure the orderly and efficient conduct of its business and adherence to the company's policies, prevention and detection of frauds and errors, accuracy and completeness of the records and timely preparation of reliable financial information.

The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board and to the Chairman and Managing Director.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

AUDITORS

Statutory Auditors

The Auditors M/s Doogar & Associates, Chartered Accountants, (Firm Registration No.000561N) have been appointed till the conclusion of 37th Annual General Meeting.

Auditors' Report

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

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s P. K. Mishra & Associates (CP No. 16222 & Membership no. F-4305) to undertake the Secretarial Audit of the Company for the Financial Year ended 31st March, 2019. The Secretarial Audit Report (in Form MR-3) is annexed as **Annexure-'C'** hereto and forms a part of this report.

Secretarial Auditors have made the observations and the responses of your Directors with respect to the same are as follows:

The Company has not complied with the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 in respect of appointment of Company Secretary, Ms. Neha Parbhakar Rawat who was appointed as Company Secretary w.e.f. 03.12.2018 after resignation of Natasha Goyal Company Secretary on 25.01.2018. Hence, there was no Company Secretary in the company during the period between 26.01.2018 to 02.12.2018 has been appointed by the Company thereafter.

The response of your Directors:

Your Directors would like to apprise you that the Company had made sincere efforts for appointment of the Company Secretary. Ms. Neha Parbhakar Rawat has been appointed as Company Secretary of the Company w.e.f 3rd December, 2018.

Transfer of unclaimed dividend to Investor Education and Protection Fund

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

Transfer to Reserves

The company has not transferred any amount to General Reserve Fund during the Financial Year under review.

Change in the nature of business, if any

There was no Change in the nature of business of the Company during the Financial Year ended March 31, 2019.

Share Capital

During the year under review, the Issued, Subscribed and paid up Equity Share Capital of the Company was Rs.9,14,01,680/-.

a. **Buy Back of Securities**

The Company has not bought back any of its securities during the year under review.

b. **Sweat Equity**

The Company has not issued any Seat Equity shares in accordance with the provisions of Section 54 of the Companies Act, 2013 read with Rule 8 of the Companies (Share Capital and Debentures) Rules, 2014 during the year under review.

c. **Bonus Shares**

The Company has not issued any Bonus shares in accordance with the provisions of Section 63 of the Companies Act, 2013 read with Rule 14 of the Companies (Share Capital and Debentures) Rules, 2014 during the year under review.

d. **Employees Stock Option Plan**

The Company has not provided any Stock Option Scheme to its employees during the year under review.

Material Changes and Commitment if any affecting the Financial Position of the company occurred between the end of the Financial Year to which this Financial Statements relate and the date of this Report.

No material changes and commitments affecting the financial position of your Company have occurred between the end of the Financial Year to which the Financial Statements relate and on the date of this report.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information pertaining to conservation of energy, technology absorption, Foreign Exchange Earnings and outgo as required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are provided herein below:-

Conservation of Energy

- The Company is engaged in providing the financial services and such operations do not account for substantial energy consumption. However, the Company is taking all possible measures to conserve 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 distribution information in electronic form.
- Minimizing Air conditioning usage.
- Shutting off all the lights when not in use.
- Education and awareness programs for the employee.

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 advancement. During the year under review the Company has installed several software and this efforts will reduce the unnecessary usage of paper and manpower.

Foreign Exchange Earnings and outgo

During the year under review, the Company did not have any Foreign Exchange Earnings and Outgo.

Statement concerning development and implementation of Risk Management Policy of the Company

In today's economic environment, Risk Management is very important part of the business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risk for the business. Your Company recognizes risk management as an integral component of good corporate governance. The company has developed and adopted a risk management policy.

Details of policy developed and implemented by the Company on its Corporate Social Responsibility initiatives

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility are not applicable.

Particulars of Loans, Guarantees or Investments made under Section 186 of the Companies Act, 2013

The Company has given loans, guarantees and investments made during the financial year under review in compliance with the provisions of Section 186 of the Companies Act, 2013

Subsidiaries, Associates and Joint Venture Company

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

The Company does not have any Associates and Joint Venture Company during the year under review.

Particulars of Contracts or Arrangements made with Related Party Transactions

All related party transactions that were entered into during the Financial Year were on arm's length basis and were in the ordinary course of the business. There was no materially significant related party transaction made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

The particulars of Contracts or Arrangements with Related Parties referred in Section 188 (1) of the Companies Act, 2013 in Form No. AOC-2 are attached as **Annexure-B**

Suitable disclosure as required by Accounting Standards (AS-18) has been made in the Notes to the Financial Statements.

Details of significant and Material Orders passed by the Regulators, Courts and Tribunal:

No significant and material order has been passed by the Regulators, Courts and Tribunals impacting the going concern status and Company's operations in future.

Annual Return

The details forming part of the extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed herewith as **Annexure-A** of this Report.

Particulars of Employees and related disclosures

There was no employee in the Company who was in receipt of the remuneration in excess of Rs.60 Lacs, if employed throughout the year or Rs.5 Lacs per month, if employed for the part of the financial year or received remuneration in excess of that drawn by the Managing Director / Whole Time Director / Manager and holding 2% or more equity share capital of the company (himself along with and dependent children), and therefore, no disclosure is required to be made under Rules 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Ratio of remuneration

The Company has not paid any remuneration to its Directors, and therefore, information relating to remuneration of Directors of the Company as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

Declaration by Independent Director(s):

All the Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149 (6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

Criteria for Evaluation of Directors

For the purpose of proper evaluation, the Directors of the Company have been divided in 3 (three) categories i.e. Independent, Non-Independent & Non-Executive and Executive.

The criteria for evaluation includes factors such as engagement, strategic planning and vision, team spirit and consensus building, effective leadership, domain knowledge, management qualities, team work abilities, result/achievements, understanding and awareness, motivation/ commitment/ diligence, integrity/ ethics/ value and openness/ receptivity.

Listing

The securities of the company listed on Bombay Stock Exchange Limited. The listing fees under Regulation 14 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been paid to Bombay Stock Exchange Limited for the Financial Year 2018-19.

Disclosure as per Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy on prevention, prohibition and Redressal of sexual harassment at workplace in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. No complaint has been received for sexual harassment of women at work place by the Company during the financial year 2018-19

Acknowledgements

The Board places on record its appreciation for the continued co-operation and support extended to the Company by customers, vendors, bankers, stock exchanges, SEBI, other regulatory authorities, depositories, auditors, legal advisors, consultants business associates, state government, local bodies and all the employees with whose help, co-operation and hard work the Company is able to achieve the results.

The Board deeply acknowledges the trust and confidence placed by the customers of the Company and all its shareholders.

For and on behalf of Board of Directors of
Mefcom Capital Markets Limited

Vijay Mehta
Director
DIN-00057151

Place : New Delhi
Date : 28.05.2019