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MEFCOM CAPITAL MARKETS LIMITED



Mefcom Capital Markets Limited

NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the Company will be held on Tuesday, the 30th September, 2008, at 10.30 A.M. at "MEHTA FARMS, Chhawla Village, Beyond BSF Camp, Rajokari-Nazafgarh Road, New Delhi - 110071 to transact the following business:

ORDINARY BUSINESS:-

1. To consider and adopt the audited balance sheet, profit and loss account for the year ended 31st March 2008 along with the Directors' and Auditors' reports thereon.
2. To appoint a Director in place of Mr. T.R.Khare, who retires by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Sham Nijhawan, who retires by rotation at the conclusion of this Annual General Meeting and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification(s) following resolution as an **ORDINARY RESOLUTION:-**

RESOLVED THAT Mr. C.P. Misra, who was appointed as an Additional Director of the company by the Board of Directors w.e.f. 28th December, 2007 under Section 260 of the Companies Act, 1956 and who holds office up to the conclusion of this Annual General Meeting, but who is eligible for re-appointment and in respect of whom, the company has received a notice from a member, proposing his candidature for the office of a Director under the provision of Section 257 of the Companies Act, 1956 be and is hereby appointed as a Director of the company, where period of office shall be liable to determination by rotation.

6. To consider and if thought fit to pass with or without modification(s) following resolution as an **ORDINARY RESOLUTION:-**

RESOLVED THAT Mr. P.K.Rajgarhia, who was appointed as an Additional Director of the company by the Board of Directors w.e.f. 28th December, 2007 under Section 260 of the Companies Act, 1956 and who holds office up to the conclusion of this Annual General Meeting, but who is eligible for re-appointment and in respect of whom, the company has received a notice from a member, proposing his candidature for the office of a Director under the provision of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the company, where period of office shall be liable to determination by rotation.

By order of the Board
for Mefcom Capital Markets Ltd.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place
New Delhi - 110 019

(Vijay Mehta)
Chairman

Place : New Delhi

Dated : September 3, 2008

NOTES:-

- a) Members entitled to attend and vote are entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than forty-eight hours before this Annual general Meeting.
- b) Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is annexed hereto.
- c) Register of Members and the Share Transfer books of the Company will remain closed w.e.f. Monday the 29th September 2008 to Tuesday the 30th September 2008 (both days inclusive).
- d) M/s Beetal Financial Computer Services Pvt. Ltd. 99 Beetal House, Madangir, New Delhi - 110062, is Registrar and Share Transfer Agent 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.
- e) Members 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 address for mailing purposes.
- f) As per the amended provisions of the Companies Act 1956, the facility for making nomination is now available to the Members in respect of the Shares held by them. Nomination Form can be obtained from the Company's Registrar - M/s Beetal Financial Computer Services Pvt. Ltd.
- g) 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 well in advance.
- h) As a measure of economy, copies of Annual Reports will not be distributed at the Annual General Meeting. Members are requested to bring their copy of the Annual Report at the meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Item No.5

Mr. C.P. Misra, was appointed as an Additional Director of the company by the Board of Directors w.e.f. 28th December, 2007 under Section 260 of the Companies Act, 1956 and who holds office up to the conclusion of this Annual General Meeting, the company has received a notice from a member, proposing his candidature for the office of a Director under the provision of Section 257 of the Companies Act, 1956.

Except Mr. C.P.Misra, none of the Directors is concerned or interested in the resolution.

Item No.6

Mr. P.K. Rajgarhia, was appointed as an Additional Director of the company by the Board of Directors w.e.f. 28th December, 2007 under Section 260 of the Companies Act, 1956 and who holds office up to the conclusion of this Annual General Meeting, the company has received a notice from a member, proposing his candidature for the office of a Director under the provision of Section 257 of the Companies Act, 1956.

Except Mr. P.K.Rajgarhia, none of the Directors is concerned or interested in the resolution.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place
New Delhi - 110 019

By order of the Board
for Mefcom Capital Markets Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi

Dated : September 3, 2008



Mefcom Capital Markets Limited

DIRECTORS' REPORT

Dear Shareholders,
Your Directors have pleasure in presenting the 23rd Annual Report together with the Audited Accounts of the company for the year ended 31st March 2008.

FINANCIAL RESULTS

PARTICULARS	FOR THE YEAR ENDED 31ST MARCH, 2008 (Rs. IN LACS)	FOR THE YEAR ENDED 31ST MARCH, 2007 (Rs. IN LACS)
Gross Income	267.91	52.99
Profit / (Loss) before Interest, Depreciation and Tax	34.42	(70.62)
Depreciation	7.61	5.57
Interest	3.24	6.27
Provision for Income Tax (incl. fringe benefit tax)	9.02	0.45
Prior period expenses and others	2.37	0.54
Profit / (Loss)	12.18	(83.45)

OPERATIONS AND FUTURE OUTLOOK

Your company has earned a gross profit of over Rs. 266 lacs during the year under review as against a gross profit of Rs. 52.98 lacs in the previous year registering a growth of over 500%.

There is a significant difference in the income pattern during the current year. In earlier years, major part of the income in your company used to accrue due to trading in shares. This year, more than 50% of the gross income has accrued from Merchant banking and Portfolio management activities, which is a matter of great satisfaction.

Your company handled a total number of 13 merchant banking assignments during the year 2007-08 and re-emerged as a leading private sector merchant banker in North India. Some of the prestigious assignments handled by your company during the year include acting as Advisors to the demutualisation process of both Delhi Stock Exchange and Jaipur stock exchange. Your company also acted as Lead Managers to the open offer for acquisitions of shares of DCM Shriram Industries Ltd. and Jagson Airlines Ltd. During the year under review, your company received a single cheque of Rs. 1,56,63,723/- (Rs. one crore fifty six lacs sixty three thousand seven hundred and twenty three) for services rendered which is the highest ever amount received in one assignment by your company. This is again a matter of great pride and satisfaction..

The profitability of your company was seriously eroded in the last quarter of the current year due to a steep fall in the portfolio investments held by the company. Besides the booked losses, your auditors have also provided for Rs. 97.73 lacs on account of diminution in the valuation of the current stocks held by the company. The expenses for the year had also substantially gone up mainly on account of high

salaries and outsourced consultancy charges besides Travel, Advertisement & some co-related misc. expenses. Due to these reasons, the net profit of the company substantially came down to Rs. 12.48 lacs, which though, is higher in comparison to the loss of Rs. 83.48 lacs during the previous year ending 31st March, 2007.

Despite the roller coaster ride experienced by your company during the year under review, your directors feel blessed for showing a profit balance sheet as compared to the crisis being experienced by the industry both at the national and international levels. Your directors are making their best efforts to take a larger market share in their operational activities and reduce their exposure on the portfolio investments so as to bring more stability in the operations.

DIVIDEND

In view of the carry forward losses, your Directors regret their inability to recommend any dividend.

DIRECTORS

Mr. T.R.Khare, Director of the company is liable to retire by rotation at the conclusion of this Annual General Meeting and being eligible, offer himself for reappointment.

Mr. Sham Nijhawan, Director of the company is liable to retire by rotation at the conclusion of this Annual General Meeting and being eligible, offer himself for reappointment.

Mr. C.P. Misra was appointed Additional Director of the Company w.e.f. 28.12.2007 and shall hold Office upto the conclusion of this Annual General Meeting. A Notice under Section 257 of the Companies Act, 1956 has been received by the company, signifying his intention to propose the appointment of Mr. C.P.Misra, as Director of the company.

Mr. P.K.Rajgarhia, was appointed Additional Director of the Company w.e.f. 28.12.2007 and shall hold Office upto the conclusion of this Annual General Meeting. A Notice under Section 257 of the Companies Act, 1956 has been received by the company, signifying his intention to propose the appointment of Mr. P.K.Rajgarhia, as Director of the company.

DIRECTORS RESPONSIBILITY STATEMENT

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

- In the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- The Directors have selected such accounting policies and applied them consistently and made judgements 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 ended 31st March, 2008 and of the benefit of the Company for that period.
- The Directors have 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.
- The Directors have prepared the annual accounts on a going concern basis.

PUBLIC DEPOSIT

The company does not have any public deposits.

**SUBSIDIARY COMPANIES**

The financial statement along with report of directors of subsidiary companies namely Mefcom Securities Limited, Mefcom Infrastructure Projects Limited and , Mefcom Commodity Brokers Limited (subsidiary of Mefcom Securities Ltd) for the year ended 31st March, 2008 are attached hereto. The statement under section 212 of the Companies Act, 1956 with respect to the said subsidiaries is attached together with the annual accounts of the company.

AUDITORS

M/s V. K. Dhingra & Company, Chartered Accountants, New Delhi retire at the conclusion of this Annual General Meeting and being eligible for reappointment, have expressed their willingness to be re-appointed, as statutory auditors of the Company. Your Directors recommend their reappointment.

PARTICULARS OF EMPLOYEES

Particulars of employees pursuant to Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975, as amended and forming part of this Director Report are Nil.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Your Company has no activity relating to conservation of energy or technology absorption.

During the year under review, the Company did not have any foreign exchange earning. However, an expenditure of Rs. 285920/- (Two Lacs Eighty Five Thousand Nine Hundred Twenty only) has been

incurred for the business purpose.

INSURANCE

The Company's property and assets have been adequately insured wherever needed.

LISTING WITH STOCK EXCHANGES

As per the requirement of Clause 49 of the Listing Agreement with Stock Exchanges, the company hereby declares that the listing for its shares continued throughout the year with "The Stock Exchange Mumbai, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001.

CORPORATE GOVERNANCE

The detailed report on Corporate Governance has been included separately in Annexure - '1' and '2' of the Directors Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the continued support from its Bankers, Government Authorities, Business Constituents, shareholders & employees.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place
New Delhi - 110 019

By order of the Board
for Mefcom Capital Markets Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : September 3, 2008

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

Name of the Subsidiary Company	Mefcom Securities Ltd.	Mefcom Infrastructure Projects Limited
1. Financial Year of the Subsidiary Companies ended on	31st March, 2008	31st March, 2008
2. a) Issued subscribed and paid-up capital of Subsidiary Companies. b) Extent of interest of MefcomCapital Markets Ltd. in the capital of Subsidiary.	- 29,99,900 Equity Shares of Rs.10/-each.(60%)	- 49,940 Equity Shares of Rs. 10/- each.(99.88%)
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 Mefcom Capital Markets Ltd. a) For the Financial Year 31st March, 2008. b) For the previous Financial Years of the Subsidiary since it became Subsidiary of Mefcom Capital Markets Ltd	1,49,77,692 (7083110)	(239202) (10070)
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, 2008. b) For the previous Financial Years of the Subsidiary since it became Subsidiary of Mefcom capital Markets Ltd.	- -	250000 -

Regd. Office:
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New Delhi - 110 019

By order of the Board
for Mefcom Capital Markets Ltd.

(Vijay Mehta)
Chairman

Place : New Delhi
Dated : September 3, 2008



Mefcom Capital Markets Limited

Forming part of Directors Report

Annexure - 1

CORPORATE GOVERNANCE REPORT

1.0 PHILOSOPHY

The Company believes in abiding by the Code of Corporate governance so as to be responsible corporate citizen and to serve the best interests of stakeholders, viz., the employees, shareholders and society at large. The company seeks to achieve its goal by being transparent in its business dealings by disclosure of all its relevant information in an easily understood manner, by ensuring that the company's activities are managed by a professionally competent and independent Board of Directors.

2.0 Board of Directors

2.1 Composition and Other Particulars

The Board of Directors comprises of 6 Directors, three of the whom i.e. Sh Vijay Mehta, Sh T.R.Khare and Ms Priyanka Mehta are Non-Executive-Non-Independent Directors. Sh Sham Nijhawan, Sh. P.K.Rajgarhia and Sh. C.P. Misra are Non-Executive-Independent Directors. The composition of the Board as on 31st March 2008 is in conformity with the Corporate Governance.

Details of Directorship in other Companies (excluding Private Limited Companies, Foreign Companies and section 25 Companies), Chairmanship and Committee membership held by the Directors as on 31st March, 2008, are given below:

Name of the Director	Category	Membership of the Board of other Companies	Chairmanship of the Board of Other Companies	Committee Membership of other Companies	Chairmanship of Committees of other Companies
Sh Vijay Mehta	Non-Executive Non-Independent Director	7	3	5	1
Sh T.R.Khare	Non-Executive Non-Independent Director	4	-	1	-
Ms Priyanka Mehta	Non-Executive Non-Independent Director	0	-	-	-
Sh Sham Nijhawan	Non-Executive Independent Director	2	-	-	-
Sh. P.K.Rajgarhia	Non-Executive Independent Director	8	-	-	-
Sh. C.P.Misra	Non-Executive Independent Director	1	-	-	-

Note:

The committee Membership of Mr. Vijay Mehta includes membership other than Audit Committee, Compensation and Remuneration

2.2 MEETINGS AND ATTENDANCE OF DIRECTORS

During the financial year ended 31st March 2008, 10 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	02.04.2007	4	2
2	30.04.2007	4	3
3	09.06.2007	4	2
4	30.06.2007	4	2
5	31.07.2007	4	2
6	28.08.2007	4	2
7	29.09.2007	4	2
8	30.10.2007	4	2
9	28.12.2007	4	2
10	24.01.2008	6	3

The attendance of the Directors at the Board Meetings held during the year ended March 31, 2008 and at the last Annual General Meeting (AGM) is as under:

Name of the Director	Attendance in Board Meetings	Attendance in Last AGM
Sh Vijay Mehta	10	Y
Sh T. R. Khare	10	Y
Ms Priyanka Mehta	0	-
Sh Sham Nijhawan	2	-
Sh. C.P.Misra	1	-
Sh. P.K.Rajgarhia	1	-

Other than the Annual General Meeting, there was no other General Meeting held during the year.

2.2 REMUNERATION OF DIRECTORS

The sitting fees to the Directors were paid as under during the financial year:

1. Sh T.R.Khare	Rs.1000/-
2. Sh Sham Nijhawan	Rs.1000/-
3. Sh. C.P.Misra	Rs.1000/-

The Company presently does not have any stock option scheme.

Appointment / Re-appointment / Resignation of Directors

Brief particulars of the Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting are as follows:

Sh T.R.Khare, Director of the Company, retiring by rotation, is proposed to be re-appointed, at the ensuing Annual General Meeting.

Sh. Sham Nijhawan, Director, of the Company retiring by rotation, is proposed to be re-appointed, at the ensuing Annual General Meeting.

Sh. C.P.Misra joined the Board on 28.12.2007 as an Additional Director and will hold office upto the conclusion of ensuing Annual General Meeting. It is proposed to appoint him as a Director at the same Annual General meeting. Sh. C.P.Misra aged 67 years, is M.A. English and Geography and is retired from the post of Chief Secretary of Himachal Government.

Sh. P.K.Rajgarhia, joined the Board on 28.12.2007 as an Additional Director and will hold office upto the conclusion of ensuing Annual General Meeting. It is proposed to appoint him as a Director at the same Annual General meeting. Sh. P.K.Rajgarhia, aged 65 years, is B. Mechanical and is engaged in the business of share market since last 10 years.

Particulars of their other Directorship are given below:

Name of the Director	Details of other Directorships of Public Limited Companies	Committees memberships in other Companies
Sh T.R.Khare	Mefcom Securities Ltd. Mefcom Commodity Brokers Ltd. Mefcom Infrastructure Projects Ltd.	Mefcom Securities Ltd.
Sh Sham Nijhawan	-	-
Sh. C.P.Misra	Mefcom Securities Ltd.	Mefcom Securities Ltd.
Sh. P.K.Rajgarhia	Vyaparik Pratisthan Ltd. Vivek Paper Mills Ltd. Amrit International Ltd. Krofta Engineering Ltd.	-

3.0 Committees of Directors

To comply with the requirement of Clause 49 of the listing agreement with the Stock Exchange, the Board has constituted the required Committees. The composition of these Committees is as under:

S.No.	Various Committees Name of Member/ Chairman	Audit Committee	Remuneration Committee	Share Transfer & Shareholders/ Investors Grievance Committee
1	Sh Sham Nijhawan	Yes	Yes	Yes
2	Sh. T.R.Khare	Yes	Yes	Yes
3	Sh. C.P.Misra	Yes	Yes	Yes
4	Sh. P.K. Rajgarhia	Yes	Yes	Yes

Sh. Sham Nijhawan who is Chairman of Audit Committee, is a Fellow Member of Institute of Chartered Accountants of India and possesses over 16 years' experience in financial matters. Sh.T.R.Khare and Sh. C.P.Misra and Sh. P.K.Rajgarhia are the Members of Audit Committee as on 31.03.2008.

Sh. C.P.Misra who is Chairman of Remuneration Committee, is M.A. English and Geography and is retired from the post of Chief Secretary of Himachal Government. Sh.T.R.Khare Sh. Sham Nijhawan and Sh. P.K.Rajgarhia are the Members of Audit Committee as on 31.03.2008. Sh. P.K.Rajgarhia who is Chairman of Share Transfer & Shareholders/ Investors Grievance Committee, is engaged in the business of share market since last 10 years. Sh.T.R.Khare and Sh. C.P.Misra and Sh. Sham Nijhawan are the Members of Audit Committee as on 31.03.2008.

3.1 AUDIT COMMITTEE

The Board of Directors set up the Audit Committee on 28th March, 2003, in accordance with the provisions of the Listing Agreement and the Companies Act 1956, consisting of 3 Non-Executive Independent Directors and one Non-Executive Non-Independent Director. The Chairman of the Committee continues to be Non-Executive Independent Director. Mr. Sham Nijhawan, the Chairman of this committee, is a Fellow Member of the Institute of Chartered Accountants of India and possesses over 16 years' experience in financial matters

During the year ended 31st March 2008, the committee held 5 Meetings on the following dates:

1. 28th April 2007.
2. 28th July 2007.
3. 20th August 2007.
4. 22nd October 2007.
5. 14th January 2008.

The terms of the reference of Audit Committee are in conformity with the requirements of the Clause 49 of the listing agreement and also section 292A of the Companies Act, 1956. These broadly cover the following:

- To discuss and review the quarterly Audit Reports submitted by the Internal Audit Department.
- To review the progress in implementation of the suggestions made by the Internal Audit Department.
- To discuss and review the observations of the Internal Audit Department of the Company on the systems and controls, cost control, statutory compliance etc., in various areas.
- To discuss the quarterly, half yearly and annual financial results of the Company and recommend the same to the Board for its approval.
- To interact with Statutory Auditors' on the Annual Accounts and on other accounting matters.
- To recommend re-appointment of Statutory Auditors, and other remuneration.



3.2 COMPENSATION AND REMUNERATION COMMITTEE

The Board of Directors set up the Compensation & Remuneration Committee on 28th March, 2003, in accordance with the provisions of the Listing Agreement and the Companies Act 1956, consisting of 3 Non-Executive Independent Directors and one Non-Executive Non-Independent Director, and the Chairman of the Committee continues to be a Non-Executive Independent Director.

Mr. C.P. Misra is Chairman of the committee.

During the year ended 31st March 2008, the committee held only one meeting on 25th August 2007.

1. The Committee is empowered to decide remuneration and other terms and conditions of Executive Director.
2. The Committee is empowered to decide on employees' Stock Option Schemes as and when such Scheme is considered for introduction in the Company.

3.3 SHARES TRANSFER AND SHAREHOLDERS' GRIEVANCE COMMITTEE

The Board of Directors set up the Shares Transfer And Shareholders Grievance Committee on 28th March, 2003, in accordance with the provisions of the Listing Agreement and the Companies Act 1956, consisting of 3 Non-Executive Independent Directors and one Non-Executive, Non-Independent Director. The Chairman of the Committee continues to be a Non-Executive Independent Director.

Mr. P.K. Rajgarhia is Chairman of Shares Transfer And Shareholders Grievance Committee

During the year ended 31st March 2008, the committee held 15 Meetings on the following dates:

- | | |
|-----------------------|-----------------------|
| 1. 20th April 2007 | 2. 21st May 2007 |
| 3. 31st May 2007 | 4. 10th July 2007 |
| 5. 31st July 2007 | 6. 11th August 2007 |
| 7. 26th December 2007 | 8. 10th January 2008 |
| 9. 21st January 2008 | 10. 31st January 2008 |
| 11. 11th Feb. 2008 | 12. 20th Feb. 2008 |
| 13. 29th Feb. 2008 | 14. 10th March 2008 |
| 15. 31st March 2008 | |

The Committee is empowered to deal with various matters relating to the Allotment of Shares, Transfer of Shares, Transmission of Shares, Issue of duplicate Share Certificates, and Issuance of Share Certificates against re-materialization of shares and monitors expeditious redressal of investor's grievances etc.

4.0 MANAGEMENT

4.1 Management Discussion and Analysis

The Company has provided a detailed management discussion and analyses in Annexure - 2 to the Report.

4.2 DISCLOSURES

Details of transactions with related parties have been reported in Notes to Accounts as per Schedule 'K' in the Balance Sheet. Company is properly adopting the whistle blower policy and no person has been denied access to the Audit Committee.

4.3 Penalty and Strictures

No penalties or strictures have been imposed on the Company by Stock Exchanges, SEBI, or by any Statutory Authority on any matter relating to Capital Markets during the last three years.

5. PAST THREE GENERAL BODY MEETINGS

Details of Annual General Meetings held in the last three years are given below:

AGM No.	Year	Date	Time	Venue
20th	2005	30th Sept. 2005	11.00 A.M.	E-15, Ansal Villas, Village Satbari, New Delhi - 110030.
21st	2006	30th Sept. 2006	11.00 A.M.	E-15, Ansal Villas, Village Satbari, New Delhi - 110030.
22nd	2007	29th Sept. 2007	11.00 A.M.	E-15, Ansal Villas, Village Satbari, New Delhi - 110030.

6. POSTAL BALLOT

No Special Resolution requiring postal ballot was placed before the last Annual General Meeting.

No Resolution is being proposed at the ensuing Annual General Meeting, which requires approval of Members through postal ballot.

7. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual financial results of the Company are sent to the Stock Exchanges where the Company's shares are listed, immediately after the Board approves them. These are also published generally in the "Money Makers" and "Mahalaxmi Bhagyodaya" Delhi. The Company does not by itself display its periodic results in any Web Site, except EDIFAR Website as required by Listing Agreement. The half-yearly reports are not sent to household of shareholders. Copies of the financial results and Annual Reports of the Company are provided to various analysts, Government Departments, investors and others, interested in getting the same upon receipt of request from them. During the year, the Company has no occasion to make any official news release and no formal presentation was made to the institutional investors / analysts. The Management Discussion and Analysis Report form a part of the Directors Report.

8.0 GENERAL SHAREHOLDERS INFORMATION

8.1 ANNUAL GENERAL MEETING

Date : 30th September 2008
 Time : 10.30 A.M.
 Venue : Mehta Farms, Chhawla Village, Beyond BSF Camp, Rajokary Nazafgarh Road, New Delhi-110030

SPECIAL RESOLUTION PASSED AT THE PREVIOUS 3 AGMs

2005 : Nil
 2006 : Corporate Guarantee of Rupees one crore to HDFC Bank for Mefcom Securities Ltd. (borrower).
 2007 : Appointment of Mr. Vijay Mehta as Executive Chairman.

8.2 FINANCIAL CALENDAR 2008-09

- First Quarter Results By the end of July, 2008
 - Second Quarter / Half yearly Results By the end of October, 2008



- Third Quarter Results By the end of January, 2009
- Annual Results (UN-audited) for the year ending March 31, 2007 By the end of April, 2009
- Annual General Meeting By the end of September, 2009

8.3 BOOK CLOSURE

The Share Transfer Books and Register of Members shall remain closed from September 29, 2008 to September 30, 2008 (both days inclusive). Notice to this effect will be sent to all the Stock Exchanges, where the shares of the Company are listed as per the Listing Agreement.

8.4 DIVIDEND

The Company has not declared dividend for the year ended March 31, 2008.

8.5 LISTING OF SHARES

The Company's Equity Shares are listed at Bombay Stock Exchange Limited and the Stock Code is 531176.

Trading of the equity shares of the Company is compulsorily in demat form.

The ISIN number to hold the shares in electronic mode is - INE186C01015

8.6 LISTING FEES

The Company has paid listing fees to The Stock Exchange Mumbai up to the financial year 2007-08.

8.7 MARKET PRICE DATA

Details of monthly high / low market price of the Company's shares at The Stock Exchange Mumbai (BSE) are given below:

Month	High (RS.)	Low (RS.)
April 2007	19.50	14.15
May 2007	15.80	13.06
June 2007	17.90	13.80
July 2007	23.00	14.95
August 2007	33.35	20.10
September 2007	38.20	27.50
October 2007	36.45	25.50
November 2007	51.90	35.00
December 2007	59.95	41.00
January 2008	62.15	41.65
February 2008	43.05	26.40
March 2008	28.50	16.35

8.8 SHARE TRANSFER AGENTS AND REGISTRARS

The transfer and demat of shares are being done by Beetal Financial Computer Services Pvt. Ltd., 99 Beetal House, Madangir, New Delhi-110062. The investors can send request for transfer and demat to:

M/s Beetal Financial Computer Pvt. Ltd.
99 Beetal House, Madangir
New Delhi-110062

Shareholders holding shares in electronic form should address all their correspondence to their respective depository participant.

8.9 SHARE TRANSFER SYSTEM

All the Share transfers are processed by the Registrar and Share Transfer Agent namely Beetal Financial Computer Services Pvt. Ltd., 99 Beetal House, Madangir, New Delhi-110062, and the approved by the Committee constituted by the Board for the said purpose. The Committee meets as and when required to approve share transfer received in physical form.

8.10 SHAREHOLDERS COMPLAINTS

The Company confirms that there are no share transfers received with valid documents lying pending on March 31, 2007, and all requests for dematerialization of shares as on that date were confirmed / rejected to NSDL/CDSL.

Complaints received by the Company	05
Replied	05
Pending	Nil

All the complaints received by the Company during the year under review from investors were replied / resolved to the satisfaction of the investors.

Compliance Officer: Mr. R.N.Yadav, Manager Secretarial

Company Secretary: There is no Company Secretary in the Company

8.11 DEMATERIALISATION OF SHARES

The Company's shares are under dematting form. The ISIN Number of the Company is INE186C01015. Members who are desirous of holding their shares in demat are requested to apply to their depository participants in the prescribed Demat Requisition Form along with original Share certificates. About 95.10% of total shares are held in demat form as on 31st March 2008.

8.12 DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2008

Number of Equity Shareholding	Number of Share holders	% of Shareholders	No. of Shares	% of Total Shares
1-500	3178	89.88	469244	5.7645
501-1000	176	4.98	148364	1.8226
1001-2000	69	1.95	108882	1.3376
2001-3000	28	0.79	71435	0.8776
3001-4000	9	0.25	30511	0.3748
4001-5000	14	0.40	68359	0.8398
5001-10000	20	0.57	137534	1.6896
10001 & above	42	1.19	7105839	87.2935
Total	3536	100%	8140168	100%

8.13 CATEGORY OF SHAREHOLDING AS ON 31ST MARCH, 2007

S. No.	Category	No. of Shares Held	% of Shareholding
A.	Promoter's holding		
1.	Promoters		
	-Indian Promoters	5800000	71.25
	-Foreign Promoters	Nil	Nil
2.	Person acting in concert	Nil	Nil
	Sub - Total	5800000	71.25
B.	Non-Promoters Holding		
3.	Institutional Investors		
a.	Mutual Funds and UTI	70100	0.86
b.	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions)	Nil	Nil
c.	Foreign Institutional Investors	15000	0.18
	Sub - Total	85100	1.05
4.	Others		
a.	Private Corporate Bodies	358970	4.41
b.	Indian Public	1810271	22.24
c.	NRIs / OCBs	80493	0.99
d.	Any Other (Clearing Member)	5334	0.07
	Sub Total	2255068	27.70
	Grand - Total	8140168	100%

MEFCOM CAPITAL MARKETS LIMITED

**CEO/CFO CERTIFICATION**

A certificate from CEO/CFO of the Company is attached to this report.

COMPLIANCE

A certificate has been obtained from the Practicing Company Secretary, regarding compliance of conditions of Corporate Governance and is attached to this Report.

Regd. Office:
5th Floor, Sanchi Building,
77, Nehru Place
New Delhi - 110 019

By order of the Board
for Mefcom Capital Markets Ltd.

(Vijay Mehta)
Director

Place : New Delhi
Dated : September 3, 2008

CEO / CFO Certification

To
The Board of Directors
Mefcom Capital Markets Ltd.
New Delhi.

We hereby certify that:

- (a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting stands, applicable laws and regulations.
- (b) There are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the

company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

- (d) They have indicated to the auditors and the Audit Committee
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

(Vijay Mehta)
Chief Executive Officer

(T.R.Khare)
Chief Financial Officer

Place : New Delhi
Dated : September 3, 2008

Forming part of Directors Report

Annexure - 2

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**Industry Overview**

Indian economy has grown at a growth rate of 8.9% on an average annual basis over the last five years despite slow down in advanced economies. Quarterly growth of 1st quarter of 2008-09 was also amongst the highest in the world despite all time high inflation, rise in crude oil, metal and food price internationally.

Outlook on Opportunities, Threats and Concerns

Capital Markets have remained volatile and stability is likely to return after the new government is in place post election sometime in the first quarter of 2009. However, new products like currency derivatives have been launched and your company has applied for its membership. This lull period is proposed to be utilized by your company to expand its network and retail outlets which will improve the bottom line of the company.

Internal Control System and Adequacy

Internal control system has been designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance with management's authorization properly recorded and accounting records are adequate for preparation of financial statements and other financial information. The management has put in place internal system for constant review and monitoring of recovery efforts.

Financial Performance

Your company has made a profit of Rs. 12.18 lacs during the financial year ended on 31st March, 2008 and has also recovered a sum of Rs. 7.25 lacs which were written off as bad debts earlier. Your company is confident of continuing to be in-profit during the current year.

Human Resources

Because of the financial constraints, the Company is operating with minimum work force. The Company is now also planning to employ additional people in view of proposed addition in its activities.