

MEFCOM CAPITAL MARKETS LIMITED

Registered office: Flat No.18, 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 32nd Annual General Meeting of the members of **MEFCOM CAPITAL MARKETS LIMITED** will be held as under:-

DAY: Friday

DATE: September 1, 2017

TIME: 10.00AM

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

to transact the following business:-

ORDINARY BUSINESS:

- To receive, consider and adopt:
 - 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, 2017, the reports of the Board of Directors and Auditors thereon; and
 - the Audited Consolidated Financial Statements of the Company for the Financial Year ended on 31st March, 2017.
- To appoint a Director in place of Mrs. Nisha Ashwani Kumar (DIN:01089668), who retires by rotation, and being eligible, offers herself for re-appointment.
- To appoint Auditors and 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 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendations of the Audit Committee, M/s Doogar & Associates, Chartered Accountants, Firm Registration No.000561N) be appointed as Statutory Auditors of the Company for a period of 5 (five) years for auditing the accounts of the Company from the Financial Year 2017-18 to Financial Year 2021-22, in place of retiring auditors M/s V. K. Dhingra & Co., Chartered Accountants, (FRN 000250N), to hold office from the conclusion of this 32nd Annual General Meeting (AGM) until the conclusion of 36th Annual General Meeting at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.”

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

Vijay Mehta

Managing Director
(DIN: 00057151)

Place : New Delhi
Date : 02.08.2017

NOTES:

- 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

- The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, August 28, 2017 to Friday, September 1, 2017 (both days inclusive).**
- Since there is no Special Business to be conducted at this AGM, accordingly, there is no need to annex the Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 to the Notice of AGM.
- 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.
- 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.
- Members are requested to:**
 - Note that copies of Annual Report will not be distributed at the AGM and they will have to bring their copies of Annual Report;**
 - Bring the Attendance Slip at the venue duly filled 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.**
 - Quote their Folio / Client ID & DP ID Nos. in all correspondence with the Company / R&TA;**
 - Note that no gifts / coupons will be distributed at the AGM.**
- 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.**
- 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 entitled to vote.
- 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.S -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).

9. 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.
10. 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 email address so far, are requested to register their email 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.

11. 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.
12. 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:

A. In case of members' receiving an e-mail from NSDL;

- (i) Open E-mail and PDF file viz. "ALT e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user id and password for e-voting. Please note that the password is an initial password.
- (ii) Log on to e-voting website www.evoting.nsdl.com
- (iii) Click on "Shareholders" Login.
- (iv) Put user id and password as initial password in step (i) above, Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of Mefcom Capital Markets Limited.
- (viii) Now you are ready for e-voting as Cast Vote page opens.

- (i) Cast your vote by selecting appropriate option and click on "Submit: and also click "Confirm" when prompted.

- () Institutional Members (i.e. other than individuals, F, NRI etc are required to send scanned copy (PDF/ PG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through e-mail invest@mefcom.in with a copy marked to evoting@nsdl.co.in.

(B) In case of members receiving physical copy of the Notice of AGM and attendance slip:

- i. Initial password is provided below the attendance slip.
- ii. Please follow all steps from Sl. No. (ii) to () above, to cast vote.

13. If you are already registered with NSDL for e-voting then you can use your existing user id and password for casting your vote.
14. The e-voting period commences on August 29, 2017 (10A.M.) and ends on August 31, 2017 (5P.M.). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 1, 2017, 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.
15. The voting rights of Members shall be as per the number of equity share held by members as on the cut-off date of August 25, 2017.
16. 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.
17. 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.
18. 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 32nd AGM and the Annual Report 2017, 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. August 25, 2017, 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 "Forgot your 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 Mr. Rajiv Ranjan, Assistant 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 rajivr@nsdl.co.in Toll free no.:1800-222-990. Members may also write the Company at the Email Id: invest@mefcom.in

19. Electronic copy of the Annual Report and Notice of the 32nd 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 32nd 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.
20. 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.
21. 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.
22. 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.
23. 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 her brief profile forms part of the notice.
24. 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.
25. The route map of the venue for the AGM is attached herewith and also available on the website of the Company
26. 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"**.

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

Mrs. Nisha Ashwani Kumar, aged 67 years, has been on Board w.e.f. 30.03.2015. She is having a degree in Graduate with Economics. She has more than 8 years of experience.

Name	Mrs. Nisha Ashwani Kumar
DIN	01089668
Date of Appointment	30.03.2015
Qualification	Graduate with Economics
Experience	More than 8 years of experience in Financial services.
Other Directorship	Mascot Insulators Pvt. Ltd.
Shareholding in Company	NIL
Relationship with any Director(s)	She is related to Managing Director of the Company

She has attended one Board Meeting during F.Y.2017.

She does not have inter-se relationship with any other Director of the Company except Mr. Vijay Mehta, Managing Director of the Company.

None of the Directors or 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.

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

Place : New Delhi
Date : 02.08.2017

Vijay Mehta
Managing Director
(DIN: 00057151)

DIRECTORS' REPORT

Directors' Report

Dear Members,

Your Directors have pleasure in presenting the 32nd Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2017.

Financial Results and performance of the company

The summarized working results for the Financial Year ended on 31st March, 2017 as compared with the previous year are as under:-

All figures are in Lacs except Earning per equity share

PARTICULARS	STANDALONE		CONSOLIDATED	
	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016	Year Ended 31 st March, 2017	Year Ended 31 st March, 2016
Gross Income	391.50	182.89	612.49	214.93
Total Expenses	343.71	179.22	473.96	217.20
Profit/ (Loss) before Interest, Depreciation, Tax and Exceptional & Extra Ordinary Items	50.10	11.01	141.77	6.32
Exceptional Items	---	---	-52.44	---
Depreciation	1.48	5.17	2.21	6.40
Interest	0.83	2.17	1.03	2.19
Provision for Tax	---	---	---	---
Prior period expenses	---	---	--	---
Profit/ (Loss) before Tax	47.79	3.67	86.09	-2.27
Tax Expense-Current year	---	---	3.73	---
Tax Adjustments of earlier years	----	----	---	9.79
Profit / (Loss) after Tax	47.79	3.67	82.36	-12.06
Earning Per Equity Share – Basic	0.52	0.04	0.75	-0.06
Earning Per Equity Share – Diluted	0.52	0.04	0.75	-0.06

Operation and Future Outlook

Your Company has earned a net profit of Rs.47.79 Lacs as on 31st March, 2017 against a profit of Rs.3.67 Lacs in the previous year ended on 31st March, 2016.

Merchant banking activities is improving in the year under review in comparison to the previous year. The Company is taking necessary steps to show better results in ensuing year in this activity.

Your Directors are putting their best efforts for the growth of the Company.

Consolidated Accounts

The Consolidated Financial Statements of your Company for the Financial Year 2016-17 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued there under, applicable Accounting Standards 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 Company, as approved by their respective Board of Directors.

Dividend

Keeping in view conserve of profits of the Company, Directors do not recommend any dividend for the Financial Year 2016-17.

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, 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 2016-17.

Public Deposit

The Company has neither accepted nor renewed any deposits during the Financial Year 2016-17 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 in force).

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, Mrs. Nisha Ashwani Kumar is retire by rotation at the ensuing Annual General Meeting, but being eligible offers herself for re-appointment. The Board recommends her re-appointment.

Ms. Nipa Verma, Company Secretary of the Company has resigned w.e.f. 21.09.2016. The Board places on record her appreciation for the contribution made by her during her tenure.

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

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During the Financial Year 2016-17, the Board of Directors met 5 (Five) times on the following dates:

April to June 2016	30.05.2016
July to September 2016	06.08.2016, 11.08.2016
October to December 2016	14.11.2016
January to March 2017	11.02.2017

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 2016-17, four (4) Meetings of the Audit Committee of the Company were held i.e. on May 30, 2016, August 6, 2016, November 14, 2016 and February 11, 2017.

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 March 28, 2017 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 statutes 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

Pursuant to Section 139(2) of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, the Company had appointed M/s. V. K. Dhingra & Company, Chartered Accountants (FRN- 085842) up to the conclusion of 32nd Annual General Meeting to be held in the year 2017. The present term of M/s. V. K. Dhingra & Company, Chartered Accountants, would expires at the conclusion of the ensuing Annual General Meeting.

On the basis of recommendation of Audit Committee, the Board of Directors of your Company has proposed the appointment of M/s Doogar & Associates, Chartered Accountants, (Firm Registration No.000561N) as the Statutory Auditors of the Company to hold office from the conclusion of this 32nd Annual General Meeting until the conclusion of 37th Annual General meeting.

Auditors' Report

The comments on the statement of accounts referred to in the report of the Auditors are self explanatory. As regard to the Auditor's observations, the relevant note in the significant Accounting Policies, notes on accounts and order disclosures are self explanatory and its reproduces as given in notes on accounts point no.29 (b) i.e. "Gratuity is provided on cash basis. During the year no gratuity was paid." Gratuity is accounted for on accrual basis up to 31.03.2013 and no provision for gratuity liability is made from 01.04.2013. During the year no gratuity was paid."

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, 2017. 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:

A) During the Period Company had not appointed the Company Secretary after Ms. Nipa Verma, Company Secretary has resigned w.e.f. 21.09.2016

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, but no suitable candidate is available. Your Directors ensure that the Company will appoint Company Secretary very soon.

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

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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, 2017.

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 Sweat 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

MEFCOM CAPITAL MARKETS LIMITED

The Company has not paid any remuneration to its Directors, and therefore, information relating to ratio remuneration of Directors of the Company as required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) XIII 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 and 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 are 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 2016-17.

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 2016-17

Acknowledgements

The Board places on record its appreciation for the continued co-operation and support extended to the Company by customers, vendors, bankers, stock exchange, 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.

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

Place : New Delhi
Date : 02.08.2017

Vijay Mehta
Managing Director
(DIN: 00057151)

ANNEXURE TO DIRECTOR'S REPORTAnnexure-'A'
Form No. MGT-9**EXTRACT OF ANNUAL RETURN**as on the financial year ended on 31st March 2017
of Mefcom Capital Markets Limited

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L74899DL1985PLC019749
Registration Date	:	02.01.1985
Name of the Company	:	MEFCOM CAPITAL MARKETS LIMITED
Category of the Co	:	COMPANY LIMITED BY SHARES
Sub-Category of the Co	:	INDIAN NON-GOVERNMENT COMPANY
Address of the Registered office	:	FLAT NO. 18, 5TH FLOOR, 77, SANCHI BUILDING, NEHRU PLACE, NEW DELHI-110019
Whether listed company	:	YES
Name, Address and Contact details of Registrar and Transfer Agent	:	BEETAL FINANCIAL & COMPUTER SERVICES P. LTD. BEETAL HOUSE, 99, MADANGIR, NEW DELHI-110062.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Sale of shares	99715990	88.83%
2.	Income from Merchant Banking Activities	-	3.26%
3.	Income from Interest	-	7.91%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Mefcom Securities Ltd	U67120DL1977PLC008476	Subsidiary	59.98	2(87)(ii)

IV. SHARE HOLDING PATTERN

Equity Share Capital Breakup as percentage of Total Equity

(i) Category - wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	As on 31-March-2016				As on 31-March-2017				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	5183500	-	5183500	56.71%	5446387	-	5446387	59.58%	2.87%
b) Central Govt	-	-	-	0.00%	-	-	-	-	0.00%
c) State Govt(s)	-	-	-	0.00%	-	-	-	-	0.00%
d) Bodies Corp.	-	-	-	0.00%	-	-	-	-	0.00%
e) Banks / FI	-	-	-	0.00%	-	-	-	-	0.00%
f) Any other	-		-	0.00%	-	-	-	-	0.00%
Sub Total (A) (1)	5183500	-	5183500	56.71%	5446387	-	5446387	59.58%	2.87%
(2) Foreign									
a) NRI Individuals	725000	-	725000	7.93%	725000	-	725000	7.93%	0.00%
b) Other	-	-	-	0.00%	-	-	-	-	0.00%
Individuals									
c) Bodies Corp.	-	-	-	0.00%	-	-	-	-	0.00%
d) Any other	-	-	-	0.00%	-	-	-	-	0.00%

MEFCOM CAPITAL MARKETS LIMITED

Sub Total (A) (2)	725000	-	725000	0.00%	725000	-	725000	-	0.00%
TOTAL (A)	5908500	-	5908500	64.64%	6171387	-	6171387	67.51%	2.87%
B. Public									
Shareholding									
1. Institutions									
a) Mutual Funds	-	200	200	0.00%	-	200	200	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	-	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	-	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	-	0.00%
e) Venture Capital	-	-	-	0.00%	-	-	-	-	0.00%
Funds									
f) Insurance	-	-	-	0.00%	-	-	-	-	0.00%
Companies									
g) FIs	-	-	-	0.00%	-	-	-	-	0.00%
h) Foreign Venture	-	-	-	0.00%	-	-	-	-	0.00%
Capital Funds									
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	200	200	0.00%	-	200	200	0.00%	0.00%
2. Central Govt./	8540	-	8540	0.09%	8540	-	8540	0.09%	0.00%
state Govt./									
President of India									
Sub-total (B)(2)	8540	-	8540	0.09%	8540	-	8540	0.09%	0.00%
3. Non-Institutions									
a) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	664183	230150	894333	9.78%	651852	228050	879902	9.63%	0.15%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1652868	-	1652868	18.08%	1430698	-	1430698	15.65%	2.43%
b) NBFC Registered with RBI	-	-	-	-	-	-	-	-	-
c) Employees Trust	-	-	-	-	-	-	-	-	-
d) Overseas Depository Holding DRs	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Other- Body Corp	505932	39450	545382	5.97%	479920	40550	520470	5.69%	0.28%
Other-Foreign Body Corp	-	15000	15000	0.16%	-	15000	15000	0.16%	-
Other-NRI	8427	69775	78202	0.85%	8777	69275	78052	0.85%	0.00%
Other- Individual HUF	37143	-	37143	0.41%	35919	-	35919	0.39%	0.02%
Sub-total (B)(3):-	2868553	354375	3222928	35.26%	2607166	352875	2945041	32.36%	2.88%
Total Public (B) (1)+(B) (2)+(B)(3)	2877093	354575	3231668	35.36%	2615706	353075	2968781	32.48%	2.88%
C. Shares held by Custodian for GDRs & ADRs	-	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	8785593	354575	9140168	100%	8787099	353075	9140168	100%	5.75%

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			Shares of % change in shareholding during the
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares year of the Company	% of Shares Pledged / encumbered to total shares	
1.	Priyanka Mehta	3500	0.04	-	3500	0.04	-	0.00%
2.	Karan Mehta	725000	7.93	-	725000	7.93	-	0.00%
3.	Vijay Mehta	5180000	56.67	-	5442887	59.55%	-	2.88%
	Total	5908500	64.64	-	6171387	67.52%	-	2.88%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	At the beginning of the year		5908500	64.64%	5908500	64.64%
2.	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		262887 (Transfer)	2.88%	262887	2.88%
3.	At the End of the year		6171387	67.52%	6171387	67.52%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Particulars	Shareholding at the beginning of the year		Date	Increase / (Decrease) in Shareholding	Reason	Shareholding at the End of the year	
		No. of shares	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Shaleen Toshniwal	457500	5.01	-	NIL	-	457500	5.01
2.	Ravindra Kumar Toshniwal	332500	3.64	-	NIL	-	332500	3.64
3.	Cityon Nano Technology Pvt Ltd	201227	2.20	-	NIL	-	201227	2.20
4.	Radhika Toshniwal	200000	2.19	-	NIL	-	200000	2.19
5.	Big Brokers House Stocks Ltd.	145418	1.59	-	NIL	-	145418	1.59
6.	Navnita Mehra	100000	1.09	-	NIL	-	100000	1.09
7.	Kavita Soni	100000	1.09	-	NIL	-	100000	1.09
8.	Prem Toshniwal	100000	1.09	-	NIL	-	100000	1.09
9.	Sonal Toshniwal	100000	1.09	-	NIL	-	100000	1.09
10.	Dr Sharma(Dhani Ram)	31608	0.34	30/06/2017	Increases	Purchase	42798	0.47
	Total	1768253	19.33	-	-	-	1779443	19.46

(v) Shareholding of Directors and Key Managerial Personnel:

Sl No	Name of the shareholders	Reason	Shareholding at the beginning of the year		Shareholding at the end of the year		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mr. Vijay Mehta	Purchase	5180000	56.67	5442887	59.59%	5442887	59.59%

V. INDEBTEDNESS (Rs. In Lakhs)

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs./Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits*	Total Indebtedness
Indebtedness at the beginning of the financial year (2016-17)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year (2016-17)				
Addition	-	-	-	-
Reduction	-	-	-	-