

Mefcom Capital Markets Ltd.

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CIN : L74899DL1985PLC019749

Date: 29th September, 2018

**The Corporate Relationship Dept.
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001**

Security Code: 531176

Dear Sir,

Sub: Annual Report for the Financial Year 2017-18

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we submit herewith Annual Report for the Financial Year 2017-18, ending 31st March, 2018 as approved and adopted by the shareholders of the Company in the Annual General Meeting held on Friday, the 28th September 2018 at 4.30 P.M. at E-15, Ansal Villas, Village- Satbari, New Delhi-110030.

Kindly take the above on record.

Thanking you and assuring you of our best cooperation at all times.

For Mefcom Capital Markets Limited



**Vijay Mehta
(Director)**





Annual Report **2017-2018**

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
Mr. I.C. Singhal	Director
Mrs. Nisha Ashwani Kumar	Director

Bankers

HDFC Bank Limited
ICICI 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: 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 33rd Annual General Meeting of the members of **MEFCOM CAPITAL MARKETS LIMITED** will be held as under:-

DAY: Friday

DATE: September 28, 2018

TIME: 4:30 P.M.

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, 2018, 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, 2018.
- 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.
- 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 Thirty Seventh 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, 2019 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.”

Special Business (es):

- To appoint Mr. Ishwar Chand Singhal (DIN: 00898743) as an Independent Director and for the purpose to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time in force), Mr. Ishwar Chand Singhal (DIN: 00898743), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting

and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of 38th Annual General Meeting of the company in the calendar year 2023.”

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

**Vijay Mehta
Managing Director
(DIN: 00057151)**

Place : New Delhi
Date : 08.08.2018

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

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

Item No. 4

With a view to broad-base the Board and bring strategic focus in business and ensure better governance of the increased level of business activities of the Company, Mr. Ishwar Chand Singhal (DIN: 00898743) was appointed as an Additional Director by the Board of Directors of the Company in its meeting held on February 12, 2018.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Ishwar Chand Singhal (DIN: 00898743) for the office of Directors of the Company.

Mr. Ishwar Chand Singhal (DIN: 00898743) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given their consent to act as Directors.

Section 149 of the Companies Act, 2013 inter alia stipulate the criteria of independence should a company propose to appoint an independent director on its Board. As per the said section 149, an independent director can hold office for a term up to 5 (five) consecutive years on board of a company and he shall not be included in the total number of directors for retirement by rotation.

It is proposed to appoint Mr. Ishwar Chand Singhal (DIN: 00898743) as Independent Directors under Section 149 and Clause 49 of the Listing Agreement to hold office for 5 (five) consecutive years for a term up to the conclusion of the 38th Annual General Meeting in the calendar year 2023.

MEFCOM CAPITAL MARKETS LIMITED

The company has received declarations from Mr. Ishwar Chand Singhal (DIN: 00898743) that he meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under clause 49 of the Listing Agreement. Mr. Ishwar Chand Singhal possess appropriate skills, experience and knowledge, inter alia, in the field of banking and finance.

In the opinion of the Board, Mr. Ishwar Chand Singhal fulfill the conditions for his appointment as Independent Directors as specified in the Act and the Listing Agreement and he is independent of the management.

Brief resume of Mr. Ishwar Chand Singhal including nature of his expertise in specific functional areas and names of companies in which he hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se are provided here under.

Keeping in view his vast experience and knowledge, it will be in the interest of the company that Mr. Ishwar Chand Singhal is appointed as Independent Directors.

Save and except Mr. Ishwar Chand Singhal and his relatives, to the extent of his shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item Nos. 4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval by the members.

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 and 4

Mrs. Nisha Ashwani Kumar, aged 68 years, has been on Board w.e.f. 30.03.2015. She is having a degree is Graduate with Economics. She has more than 9 years of experience.

Name	Mrs. Nisha Ashwani Kumar	Mr. Ishwar Chand Singhal
DIN	01089668	00898743
Date of Appointment	30.03.2015	12.02.2018
Qualification	Graduate with Economics	B. Com, FCA
Expertise	More than 9 years of experience in Financial services.	More than 40 years of experience in Financial services.
Other Directorship	Mascot Insulators Pvt. Ltd.	Singhal Finstock Private Limited DSE Financial Services Limited Anish Buildwell Private Limited
Shareholding in Company	NIL	NIL
Relationship with any Director(s)	She is related to Managing Director of the Company	He is not related to any directors of the Company

She has attended one Board Meeting during F.Y.2018.

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 of Key Managerial Personnel of the Company or their relatives except Mrs. Nisha Ashwani Kumar & Vijay Mehta is concerned or interested in the resolution.

Shri Ishwar Chand Singhal who had been appointed as additional director of the company on 12th February, 2018

He has attended one board meeting during FY 2018.

The Board of Directors recommends resolution set out at item no.2 and 4 for your consideration and approval.

- The Register of Members and Share Transfer Books of the Company will remain closed from **Monday, September 24, 2018 to Friday, September 28, 2018 (both days inclusive)**.
- 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-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.**
 - 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 entitle 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.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).
- 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.
- 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.nsd.com/>

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

Details on Step 1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsd.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.nsd.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 use 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 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.nsd.com.
 - b) Physical User Reset Password?” (If you are holding shares in physical mode) option available on www.evoting.nsd.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.
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.

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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 September 25, 2018 (09.00 A.M.) and ends on September 27, 2018 (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 September 21, 2018, 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 September 21, 2018.
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 33rd AGM and the Annual Report 2018, 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. September 21, 2018, 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 Mhadre, 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 pallavim@nsdl.co.in Toll free no.:1800-222-990. Members may also write the Company at the Email Id: invest@mefcom.in

17. Electronic copy of the Annual Report and Notice of the 33rd 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 33rd 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**

Place : New Delhi
Date : 08.08.2018

**Vijay Mehta
Managing Director
DIN: 00057151**

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the 33rd Annual Report on the business and operations of your Company together with the Audited Financial Statements for the year ended March 31, 2018.

Financial Results and performance of the company

The summarized working results for the Financial Year ended on 31st March, 2018 as compared with the previous year are as under:-

(Rs. In Lacs)

Particulars	Standalone (as per Ind As)		Consolidated (as per Ind As)	
	Year Ended 31 st March, 2018	Year Ended 31 st March, 2017	Year Ended 31 st March, 2018	Year Ended 31 st March, 2017
Gross Income	1883.24	407.63	2573.25	622.97
Total Expenses	1823.10	432.72	2517.70	663.07
Profit/ (Loss) before Interest, Depreciation, Tax and Exceptional & Extra Ordinary Items	60.14	(25.09)	55.55	(40.10)
Exceptional Items	---	---	---	---
Depreciation	1.11	1.48	1.30	2.10
Interest	2.31	0.87	3.38	2.13
Profit/ (Loss) before Tax	56.72	(27.44)	50.87	(44.33)
Tax Expenses	---	---	--	3.73
Net Profit / (Loss) for the Period	56.72	(27.44)	50.87	(48.06)
Other Comprehensive Income	(123.95)	340.30	(151.63)	462.51
Total Comprehensive Income for the period	(67.22)	312.87	(100.76)	414.45
Paid up equity share capital (Face Value per Share Rs. 10/-)	914.02	914.02	914.02	914.02
Earning Per Equity Share – Basic	0.62	(0.30)	0.56	(0.53)
Earning Per Equity Share – Diluted	0.62	(0.30)	0.56	(0.53)

Effect of adoption of Ind AS on Financial Statements

With the adoption of Ind AS for preparation of Financial Statements for the Year 2017-18 and recasting of Financial Statements for the Financial Year 2016-17 and 2015-16 there has been impact on the Profitability, Value of Stock in Trade, Investments and Reserves of the Company. The same has been shown below for proper understanding of the Financial Statements by our valued Shareholders.

Reconciliation of total comprehensive income for the year ended March 31, 2017

(Amount in ₹)

Particulars	As per previous GAAP	Effects of transition to Ind AS	As per Ind AS
I. Revenue from operations	365.60	-	365.60
II. Other income	80.72	(38.69)	42.03
III. Total Income (I+II)	446.32	(38.69)	407.63
IV. Expenses :			
Purchase of shares/ securities (stock-in-trade)	420.09	-	420.09
Change in inventory of shares / securities (stock-in-trade)	(127.82)	36.54	(91.28)
Employee benefit expense	20.32	-	20.32
Finance cost	0.87	-	0.87
Depreciation and amortisation expense	1.48	-	1.48
Other expenses	83.58	-	83.58
Total expenses (IV)	398.53	36.54	435.07
V. Profit before and tax (III-IV)	47.79	(75.23)	(27.44)
VI. Tax Expense:			
Current tax	-	-	-
Deferred tax	-	-	-
Total tax expense (VI)	-	-	-
VII. Profit for the year (V-VI)	47.79	(75.23)	(27.44)
VIII. Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss	-	340.30	340.30
(B) Items that will be reclassified to profit or loss	-	-	-
Total Other comprehensive income (X)	-	340.30	340.30
IX. Total Comprehensive Income for the year (IX+X)	47.79	265.08	312.87

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(i) Notes to the reconciliation of equity as at April 1, 2016 and March 31, 2017 and Total Comprehensive Income for the year ended March 31, 2017:-

Investments

Under Previous GAAP, investments were classified into current and long term investments. Current investments were carried at the lower of cost or market value, while long term investments were carried at cost less any impairment that was other than temporary.

Under Ind AS, equity instruments have been classified as Fair Value through Other Comprehensive Income (FVTOCI). Fair value movements are recognized directly in other comprehensive income on such investments.

(ii) Stock in Trade

Under Previous GAAP, stock-in-trade were valued at cost or net realisable value whichever is lower. However, Under Ind AS, securities or shares held as stock-in-trade are measured at fair value and any gain/(loss) arising on subsequent recognition at the balance sheet date is recognised in Statement of Profit and Loss.

Reconciliation of Equity as previously reported under IGAAP to Ind-AS

Particulars	As at March 31, 2017			As at April 1, 2016		
	As per IGAAP	Adjustments	As per Ind AS	As per IGAAP	Adjustments	As per Ind AS
ASSETS						
Non-current assets						
(a) Property, plant and equipment	4.29	-	4.29	5.20	-	5.20
(b) Intangible assets	0.05	-	0.05	-	-	-
(c) Financial assets			-			-
(i) Investments	507.41	540.00	1,047.41	523.81	238.39	762.20
(d) Non-current tax assets (net)	22.64	-	22.64	33.98	-	33.98
(e) Other non-current assets	-	-	-	30.00	-	30.00
Total non-current assets	534.39	540.00	1,074.39	593.00	238.39	831.38
Current assets						
(a) Stock in Trade	240.62	56.09	296.71	112.81	92.63	205.43
(b) Financial assets			-			
(i) Trade receivables	-	-	-	2.73	-	2.73
(ii) Cash & cash equivalents	0.84	-	0.84	15.93	-	15.93
(iii) Loans	257.50	-	257.50	237.50	-	237.50
(iv) Other financial assets	20.27	-	20.27	22.89	-	22.89
(c) Other current assets	4.05	-	5.55	27.34	-	27.34
Total current assets	523.29	56.09	581.37	419.18	92.63	511.81
TOTAL ASSETS	1,057.68	596.09	1,655.76	1,012.18	331.01	1,343.19
EQUITY AND LIABILITIES						
Equity						
Equity share capital	914.02		914.02	914.02	-	914.02
Other equity	137.39	596.09	735.47	89.59	331.01	420.60
Total equity	1,051.40	596.09	1,649.49	1,003.61	331.01	1,334.62
Non current liabilities						
(a) Provisions	2.22		2.22	2.22		2.22
Total non-current liabilities	2.22	-	2.22	2.22	-	2.22
Current liabilities						
(a) Financial liabilities						
(i) Trade payables	0.22	-	0.22	-	-	-
(b) Other current liabilities	3.84	-	3.84	6.35	-	6.35
Total current liabilities	4.06	-	4.06	6.35	-	6.35
TOTAL EQUITY AND LIABILITIES	1,057.68	596.09	1,655.76	1,012.18	331.01	1,343.19

MEFCOM CAPITAL MARKETS LIMITED

Operations

Your Company has earned a net profit of Rs.56.72 Lacs (As per Ind AS) as on 31st March, 2018 against a Profit of Rs. 47.79 Lacs (As per IGAP) / Loss of Rs 27.44 Lacs (as per Ind AS) in the previous year ended on 31st March, 2017.

Your Directors are confident of even better working of the company in the Financial Year 2018-19. 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 2017-18 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

Keeping in view conserving of profits of the Company, Directors do not recommend any dividend for the Financial Year 2017-18.

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 2017-18.

Public Deposit

The Company has neither accepted nor renewed any deposits during the Financial Year 2017-18 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

Mr. Tarsem Garg Director of the company regained as Director on 12th February 2018. The Board places on record with appreciation the contribution made by Mr. Tarsem Garg as independent director of the company.

In accordance with the provisions of Section 152 of the Companies Act, 2013 and Articles of Association of the Company, Mrs. Nisha Ashwanin Kumar is retire by rotation and Mr. I C Singhal who had been appointed as additional Director of the Company retires at the ensuing Annual General Meeting, but being eligible offers themselves for re-appointment. The Board recommends their re-appointment.

Ms. Natasha Goyal, Company Secretary cum Compliance Officer of the Company has resigned w.e.f. 01.02.2018.

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 2017-18, the Board of Directors met 5 (Five) times on the following dates:

April to June 2017	30.05.2017
July to September 2017	02.08.2017 13.09.2017
October to December 2017	11.12.2017
January to March 2018	12.02.2018

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 2017-18, 4 (four) Meetings of the Audit Committee of the Company were held i.e. on May 30, 2017, September 13, 2017, December11, 2017 and February 12, 2018.

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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, 2018 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) retire at the ensuing Annual General Meeting and, being eligible; offer themselves for re-appointment for a period of 2018-19 from the conclusion of ensuing Annual General Meeting till the conclusion of next 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, 2018. 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 has not appointed the Company Secretary after Natasha Goyal, resigned w.e.f. 01.02.2018"

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. However your directors are ensuring compliance of all rules and regulations of BSE, SEBI, ROC, MCA and other regulatory bodies.

MAINTENANCE OF COST RECORDS

The Central Government has not specified maintenance of cost records for any of the products of the company under Section 148(1) of the Companies Act, 2013.

SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable standards issued by the Institute of Company Secretaries of India.

COMPLIANCE WITH PROVISIONS OF SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to uphold and maintain the dignity of women employee and it has in place a policy which provides for protection against sexual harassment of women at workplace and

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for prevention and redressal of such complaints. During the year, no such complaints were received. The Company has also constituted an Internal Compliance Committee under the Sexual Harassment of women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

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, 2018.

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.

MEFCOM CAPITAL MARKETS LIMITED

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.1,02,00,000/- p.a. Lacs, if employed throughout the year or Rs.8.50 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 2017-18.

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 : 08.08.2018

ANNEXURE TO DIRECTOR'S REPORT

Annexure-'A'

Form No. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2018
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-1100m19
Whether listed company	:	YES
Name, Address and Contact details of	:	BEETAL FINANCIAL & COMPUTER SERVICES P. LTD.
Registrar and Transfer Agent	:	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	96.15%
2.	Income from Merchant Banking Activities	-	0.75%
3.	Income from Interest, Dividend and other income	-	3.10%

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	59.998	2(87)(ii)

IV. SHARE HOLDING PATTERN

Equity Share Capital Breakup as percentage of Total Equity
Category – wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	5446387	-	5446387	59.58%	5750184	-	5750184	62.91%	3.33%
b) Central Govt	-	-	-	-	-	-	-	-	0.00%
c) State Govt(s)	-	-	-	-	-	-	-	-	0.00%
d) Bodies Corp.	-	-	-	-	-	-	-	-	0.00%
e) Banks / FI	-	-	-	-	-	-	-	-	0.00%
f) Any other	-	-	-	-	-	-	-	-	0.00%
Sub Total (A) (1)	5446387	-	5446387	59.58%	5750184	-	5750184	62.91%	3.33%
(2) Foreign									
a) NRI Individuals	725000	-	725000	7.93%	725000	-	725000	7.93%	0.00%
b) Other	-	-	-	-	-	-	-	-	0.00%
Individuals									
c) Bodies Corp.	-	-	-	-	-	-	-	-	0.00%

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Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Any other	-	-	-	-	-	-	-	-	0.00%
Sub Total (A) (2)	725000	-	725000	-	725000	-	725000	-	0.00%
TOTAL (A)	6171387	-	6171387	67.51%	6475184	-	6475184	70.84%	3.33%
B. Public									
Shareholding									
1. Institutions									
a) Mutual Funds	-	200	200	0.00%	-	200	200	0.00%	0.00%
b) Banks / FI	-	-	-	-	-	-	-	-	0.00%
c) Central Govt	-	-	-	-	-	-	-	-	0.00%
d) State Govt(s)	-	-	-	-	-	-	-	-	0.00%
e) Venture Capital	-	-	-	-	-	-	-	-	0.00%
Funds									
f) Insurance	-	-	-	-	-	-	-	-	0.00%
Companies									
g) FIs	-	-	-	-	-	-	-	-	0.00%
h) Foreign Venture	-	-	-	-	-	-	-	-	0.00%
Capital Funds									
i) Others (specify)	-	-	-	-	-	-	-	-	
Sub-total (B)(1):-	-	200	200	0.00%	-	200	200	0.00%	0.00%
2. Central Govt./ state Govt./ President of India	8540	-	8540	0.09%	8540	-	8540	0.09%	0.00%
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	651852	228050	879902	9.63%	554946	225500	780446	8.54%	1.09%
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	1430698	-	1430698	15.65%	1562759	-	1562759	17.10%	1.45%
b) NBFC Registered with RBI	-	-	-	-	-	-	-	-	-
c) Employees Trust	-	-	-	-	-	-	-	-	-
d) Overseas Depository Holding DRs	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Other- Body Corp	479920	40550	520470	5.69%	140692	40550	181242	4.98%	3.94%
Other-Foreign Body Corp	-	15000	15000	0.16%	-	15000	15000	0.16%	-
Other-NRI	8777	69275	78052	0.85%	7652	69275	76927	8.84%	0.01%
Other-Individual / HUF	35919	-	35919	0.39%	39870	-	39870	0.44%	0.05%
Sub-total (B)(3):-	2607166	352875	2945041	32.36%	2305919	350325	2656244	29.06%	3.30%
Total Public (B) (1)+(B)(2)+(B) (3)	2615706	353075	2968781	32.48%	2314459	350525	2664984	29.16%	
C. Shares held by Custodian for GDRs & ADRs
Grand Total (A+B+C)	8787099	353075	9140168	100%	878964	350525	9140165	100%	0.00%

MEFCOM CAPITAL MARKETS LIMITED
(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares 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	5442887	59.55%	-	5746684	62.87%	-	3.32%
	Total	6171387	67.52%	-	6475184	70.84%	-	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%	6171387	67.52%
2.	Date wise Increase / Decrease in		262887	2.88%	303797	2.88%
3.	At the End of the year		6171387	67.52%	6475184	70.84%

(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 shares	Shareholding at the End of the year	
		No. of shares	% of total shares of the Company				No. of	% 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.	RADHIKA TOSHNIWAL	200000	2.19	-	NIL	-	200000	2.19
4.	MAHENDRA VASANTRAI DOSHI	5000	0.055	-	Increases	Purchase	104900	1.14
5.	SONAL TOSHNIWAL	100000	1.09	-	NIL	-	100000	1.09
6.	PREM TOSHNIWAL	100000	1.09	-	NIL	-	100000	1.09
7.	KAVITA SONI	100000	1.09	-	NIL	-	100000	1.09
8.	NAVNITA MEHRA	100000	1.09	-	NIL	-	100000	1.09
9.	D R SHARMA (DHANI RAM)	42798	0.47		NIL	-	42859	0.47
10.	S ATISHAY BUILDERS LLP	5936	0.65		Increases	Purchase	39652	0.43
	Total	1443724	16.38	-	-	-	1577411	17.25

(v) Shareholding of Directors and Key Managerial Personnel:

SI 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	5442887	59.59%	5746684	62.87%	5746684	62.87%

MEFCOM CAPITAL MARKETS LIMITED
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 (2017-18)				
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 (2017-18)				
Addition	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness At the end of the financial year (2017-18)				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL
A. Remuneration to Managing Director, Whole- time Directors and/or Manager: (Rs. In Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary	--	--
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	--	--
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- as % of profit		
	- others, specify...		
5.	Others, please specify	-	-
	Total (A)	--	--
	Ceiling as per the Act	Not applicable	Not applicable

B. Remuneration to other Directors (Sitting Fees): (Amount in Rs.):

Sl. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Mr. Tarsem Garg	Mr. Shailendra Haruray	Mr. Sham Nijhawan	Smt. Nisha Ashwani Kumar	Mr. Ishwar Chand Singhal	
1.	Independent Directors	10000	10000	8000	-	-	28,000
	Fee for attending Board / committee meetings	-	-	-	-	-	-
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (1)	10,000	10,000	8,000	-	-	28,000
2.	Other Non-Executive Directors						
	Fee for attending Board / committee meetings						
	Commission	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-
	Total (2)	NIL	NIL	NIL	NIL	-	NIL
	Total (B)=(1+2)	10,000	10,000	8,000	NIL	-	28,000
	Total Managerial Remuneration	-	-	-	-	-	-
	Overall Ceiling as per the Act	NIL	NIL	NIL	NIL	-	NIL

*As per the Provisions of sub section (2) read with sub section (5) of section 197 of the Companies Act, 2013, sitting fees paid to the Directors are to be excluded while calculating the overall managerial remuneration.

MEFCOM CAPITAL MARKETS LIMITED

c Remuneration to KEY Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
			Mr. Anup Kumar Verma	Mrs. Natasha Goyal	
	Name				
	Designation	GEO	CFO	CS	
1	Gross salary	-	385293	200838	586131
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	-	385293	200838	586131
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	-as % of profit	-	-	-	-
	-others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	385293	200838	586131

* Mrs. Natasha Goyal has resigned as an Key Managerial Personnel (CS) w.e.f. 01/02/2018

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**Annexure-‘B’
Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis- NIL
 - (a) Name(s) of the related party and nature of relationship
 - (b) Nature of contracts/arrangements/transactions
 - (c) Duration of the contracts / arrangements/transactions
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any
 - (e) Justification for entering into such contracts or arrangements or transactions
 - (f) Date(s) of approval by the Board
 - (g) Amount paid as advances, if any:
 - (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship Vijay Mehta, Managing Director and shareholder
 - (b) Nature of contracts/arrangements/transactions Lease Agreement
 - (c) Duration of the contracts / arrangements/transactions Ongoing
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
Rent is being paid for the registered office of the company
Rs. 12,93,692/- per annum. (previous year Rs.11,20,120/-).
 - (e) Date(s) of approval by the Board, if any: 13.02.2016
 - (f) Amount paid as advances, if any: NIL

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

**Shailendra Haruray
Director
DIN-00075083**

**I.C. Singhal
Director
DIN-00898743**

**Place : New Delhi
Date : 08.08.2018**

Annexure-‘C’

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

(Pursuant to Section 204(1) of the Companies Act, 2013 and Rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014)

To,
The Members,

Mefcom Capital Markets Limited,
Flat No.18, 5th Floor,
77, Sanchi Building, Nehru Place,
New Delhi-110019

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Mefcom Capital Markets Limited**, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon I report that:-

- a. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on my audit.
- b. I have followed the Audit Practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- c. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- d. Wherever required, I have obtained the management representation about the compliance of law, rules and regulations and happening of events etc.
- e. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to verification of procedures on test basis.
- f. The Secretarial Audit Report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Based on my verification of the **Mefcom Capital Markets Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in our opinion, the company has, during the audit period covering the Financial Year ended on March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Mefcom Capital Markets Limited**, (“the Company”) for the Financial Year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under were duly complied for the period from 1st April 2017 to 31st March 2018.
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under were duly complied for the period from 1st April 2017 to 31st March 2018.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings are not applicable on the Company for the Financial Year 2017-18 as disclosed by the management of the Company.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) to the extent applicable to the Company:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **The Company has filed all disclosure within prescribed time and duly complied all the provisions as disclosed by the management of the company.**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; **The Company has filed all disclosure within prescribed time and duly complied all the provisions as disclosed by the management of the company.**
 - (c) The Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2009; **(Not Applicable as the company has not issued any further capital under the regulations during the period under review).**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (as amended up to date); **(Not Applicable as the company has not issued any securities under the regulations during the period under review).**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the company has not issued and listed any debt securities under the regulations during the period under review).**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the company is not registered as Registrar to issue and Share Transfer Agent during the period under review).**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not Applicable as the company is still listed on BSE and not applied for delisting during the period under review.)**

MEFCOM CAPITAL MARKETS LIMITED

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable as the company has not bought back / proposed to buy-back any of its securities during the financial year under review.)**
- (i) The company has complied with the requirements under the Equity Listing Agreements entered with the Bombay Stock Exchange Limited (BSE) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **The Company has filed all disclosure within prescribed time and duly complied all the provisions as disclosed by the management of the company except few disclosure delayed filed as detailed given below:**

Shareholding pattern 30.09.2017 filed on 23.10.2017

Investors complaints 31.03.2018 filed on 25.04.2018

- (j) The Memorandum and Articles of Association.

(vi) **OTHER APPLICABLE ACTS,**

- (a) Income Tax Act, 1961 and Indirect Tax Laws.

I have also examined compliance with the applicable clauses of the following:

- i) Secretarial Standards issued by the Institute of Company Secretaries of India (SS-1 and SS-2) w.e.f. 01.07.2015 (revised SS-1 and SS-2 w.e.f.01.10.2017).
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above subject to the following observations:

- a. **The Company has filed some e-forms with late fees during the period under review.**
- b. **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. Natasha Goyal Company Secretary had resigned on 25.01.2018. No Company Secretary has been appointed by the Company thereafter.**

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notices were given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda items were sent at least seven days in advance, and system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

The Company has obtained all necessary approvals under the various provisions of the Act; and there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules and Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

I further report that during the period, there were no instances of:

- (i) Public / Rights / Preferential Issue of Shares / Debentures / Sweet Equity.
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation /reconstruction etc.
- (iv) Foreign technical collaboration.

Date : 06.08.2018

Place : New Delhi

**FOR P.K. MISHRA & ASSOCIATES
COMPANY SECRETARIES**

**PAWAN KUMAR MISHRA
PROPRIETOR
Membership No.FCS-4305
COP No.16222**

MANAGEMENT DISCUSSION AND ANALYSIS

Forming part of Directors Report

MANAGEMENT DISCUSSION AND ANALYSIS

Abstract- Industry Overview:

The relevant industry for the Company is financial service sector, which is considered as a touchstone of socio economic development of the country. Indian markets were one of the best performing markets globally in 2017. The BSE Sensex and NSE Nifty jumped 20% buoyed by hopes of a better economy and reforms by the present government. India also emerged as one of the strongest economy and reforms by the present government. BSE Sensex has crossed 37000 and NSE Nifty is over 11300. However Midcap & Smallcap indices remained subdued during the year after growing over 50% in the previous year. Two of the Indian Companies namely Reliance and TCS have become USD100 billion Companies in terms of market capitalization.

India has emerged as one of the strongest economy in the world. It has become 6th largest economy in the world leaving behind France. With GDP growth of 7.5% in 2018-19 it will surpass UK and will become 5th largest economy. India also emerged as one of the strongest economies amongst the emerging markets. India has a diversified financial sector, which is undergoing rapid expansion. The sector comprises commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities. The financial sector in India is predominantly a banking sector with commercial banks accounting for more than 60 per cent of the total assets held by the financial system. With the cleaning of NPAs of PSU Banks, it is expected they will also grow rapidly in the near future.

India's services sector has always served the country's economy well, accounting for about 57 per cent of the gross domestic product (GDP). In this regard, the financial services sector has been an important contributor. With the increase of 50% in the Minimum Support Prices of Agree Products, the rural economy is bound to grow exponentially giving strong boost to the FMCG, Consumer Durables, Cement, Steel and Automobile Industries.

The Government of India has introduced reforms to liberalize, regulate and enhance this industry. At present, India is undoubtedly one of the world's most vibrant capital markets. Challenges remain, but the future of the sector looks good. The advent of technology has also aided the growth of the industry. About 75 per cent of the insurance policies sold by 2020 would, in one way or another, be influenced by digital channels during the pre-purchase, purchase or renewal stages, as per a report by Boston Consulting Group (BCG) and Google India.

However Trade Protection Policies of US Government pose serious challenges to the developing economies like India. Rising inflation, international crude prices and political uncertainties of general elections of 2019 are also significant headwinds for the Indian Capital Market.

Market Size:

The size of banking assets in India reached US\$ 2.0 trillion in FY18 and is expected to touch US\$ 2.85 trillion by FY25. The Association of Mutual Funds in India (AMFI) data show that assets of the mutual fund industry have hit an all-time high of about Rs 23.96 trillion (US\$ 349.78 billion). Equity funds had fresh inflows of Rs 9400 Crores (US\$ 13.72 billion) in July 2018. Average monthly collection has been subdued at Rs. 10400 Crores (US\$ 15.18 billion) against Rs. 14200

Crores (US\$ 20.73 billion). Total amount collected through SIPs was Rs. 21548 Crores (US\$ 31.46 billion) for the first quarter of 2018-19. About 9.85 lacs SIP Accounts are being opened every month on an average basis during 2018-19 with an average of Rs 3300/- per month per account.

Government initiatives:

Implementation of GST, Demonetization, Passing of Indian Bankruptcy Code (IBC) and other reforms will transform the Indian economy and Financial Sector as well. Several measures have been outlined in the Union Budget 2017-18 that aim at reviving and accelerating investment which, inter alia, include fiscal consolidation with emphasis on expenditure reforms and continuation of fiscal reforms with rationalization of tax structure; fillip to industry and infrastructure, fiscal incentives and concrete measures for transport, power, and other urban and rural infrastructure; measures for promotion of foreign direct investment (FDI) in selected sectors, including defense manufacturing and insurance; and, steps to augment low cost long-term foreign borrowings by Indian companies.

Fiscal reforms have been bolstered further by the recent deregulation of diesel prices. The launch of 'Make in India' global initiative is intended to invite both domestic and foreign investors to invest in India. The aim of the programme is to project India as an investment destination and develop, promote and market India as a leading manufacturing destination and as a hub for design and information. The programme further aims to radically improve the Ease of Doing Business, open FDI regime, improve the quality of infrastructure and make India a globally competitive manufacturing destination.

Segment wise Reporting:

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

The segment wise information can be viewed in the notes to accounts statement annexed with the financial statement for the year ended March 31st, 2018.

Operations and Future Outlook:

India is today one of the most vibrant global economies, on the back of robust banking and insurance sectors. The country is projected to become the fifth largest banking sector globally by 2020 (as per a joint report by KPMG-CII). The report also expects bank credit to grow at a compound annual growth rate (CAGR) of 17 per cent in the medium term leading to better credit penetration over the next few years for the financial services segment. Over the coming quarters there could be a series of joint venture deals between global insurance giants and local players.

The Company has shown a net profit of Rs. 56.72 Lacs in the year 2017-18 against a loss of Rs. 27.44 Lacs last year. The Income of your Company from Merchant Banking Services had increased to Rs. 14.05 Lacs against Rs. 12.75 Lacs last year.

The Company has various SME issues in pipeline to be listed on SME platform of NSE and BSE Limited in the coming financial year. Further, it is expected that the Capital market will do better in the future, hence it is expected that it will enlighten the growth prospects of the Company.

MEFCOM CAPITAL MARKETS LIMITED

Transition from Indian GAAP to Ind AS:

The Financial Statements, Standalone & Consolidated for the Financial Year 2017-18 have been prepared in accordance with Indian AS. The Principal difference between Indian GAAP and Ind AS has been provided in the accounts. It has made the financial statements of Indian Companies at par with the International Standards.

Risks & Concerns:

Your Company being an Investment Banking Company seeks opportunities in the Capital Market. The volatility in the stock indices in the financial year under report represents both an opportunity and challenge for the Company. Capital Market activities in which most of our activities depend on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market.

The present risks and anticipated future risks are reviewed by the management of your Company at regular intervals. Based on its past experiences, the management tries to remain vigilant about all prospective risks and takes suitable preventive measures to adequately safeguard its resources like men, machine & money, so that the business continues as usual even during difficult situations.

Financial performance with respect to the operational performance:

During the year under review, turnover & profits has been increased as compared to previous year, the management is in the process of better utilization of available resources and proper implementation of business strategies. The small and medium enterprises have now

got a separate SME platform to list their shares so now even small companies can now go for IPO which will enhance the profitability and market share of your Company.

It is expected that the Company is having good future prospects and will give better results as the capital market is also expected an upward trend in future.

Caution Statement:

Statements in foregoing paragraphs of this report describing the current industry structure, outlook, opportunities, etc., may be construed as "forward looking statements", based on certain assumptions of future events over which the Company exercises no control. Therefore, there can be no guarantee as to their accuracy. These statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those that may be implied by these forward looking statements. Such risks and uncertainties include, but are not limited to: growth, competition, domestic & international economic conditions affecting demand, supply & price conditions, changes in Government regulations, tax regimes and other statutes.

**BY ORDER OF THE Board
FOR MEFCOM CAPITAL MARKETS LIMITED**

Place : New Delhi
Date : 08.08.2018

(Vijay Mehta)
Managing Director

**Declaration Affirming Compliance of
Provisions of code of conduct**

DECLARATION

In accordance with the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 with the Stock Exchange and according to information provided/available, this is to confirm that all members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the Code of Conduct, as applicable to them, for the financial year ended, March 31, 2018

**BY ORDER OF THE Board
FOR MEFCOM CAPITAL MARKETS LIMITED**

Place : New Delhi
Date : 08.08.2018

(Vijay Mehta)
Managing Director

CEO/CFO CERTIFICATION

The Board of Directors

Mefcom Capital Markets Limited

- A. I have reviewed financial statements and the cash flow statement for the financial year 2017-2018 and certify that these statements to the best of our knowledge and belief:
1. Do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. Present a true and fair view of the Company's affairs and are in compliance with existing accounting standards applicable laws and regulations.
- B. There are to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or volatile of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and I have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- D. I have indicated to the Auditors and the Audit Committee:
1. Significant changes in internal control over financial reporting during the year;
 2. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements.
- E. To the best of our knowledge and belief, there are no instances of significant fraud of which I 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.

Place : Delhi
Date : 08.08.2018

Anup Verma
(CFO)

INDEPENDENT AUDITOR'S REPORT

To The Members of Mefcom Capital Markets Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of Mefcom Capital Markets Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the

manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit including total comprehensive income, its cash flows and the Statement of changes in equity for the year ended on that date.

Other Matter

The Comparative Standalone financial statements of the Company for the year ended March 31, 2017 were audited by predecessor auditor who vide their report dated May 30, 2017 expressed an unmodified opinion on those financial statements.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account;
 - d. In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;
 - e. On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS financial statements - Refer note 25 to the Standalone Ind AS financial statements.
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there was no amount which was required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Doogar & Associates**
Chartered Accountants
Firm Registration No. 000561N

Vardhman Doogar

Place : New Delhi
Date : May 28, 2018

Partner
Membership No. 517347

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of Mefcom Capital Markets Limited (“the Company”) as of March 31, 2018 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (“the Act”).

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (‘the Guidance Note’) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Doogar & Associates**
Chartered Accountants
Firm Registration No. 000561N

Vardhman Doogar
Partner
Membership No. 517347

Place : New Delhi
Date : May 28, 2018

Annexure “B” to the Independent Auditor’s Report

(Referred to in paragraph 2 under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

- i. In respect of the Company’s property, plant & equipment: -
- The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - The Company has a program of verification to cover all the items of property, plant and equipment in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain property, plant and equipment were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - According to the information and explanations given to us, we report that the Company does not own any immovable property whether freehold or leasehold.
- ii. In respect of the Company’s Stock in Trade: -
- As explained to us, the inventories of securities held as stock-in-trade have been verified by the management with demat accounts maintained with depositories at reasonable intervals.
 - The Company is maintaining proper records of inventories and as explained to us, no discrepancies were noticed on verification of stocks and book records.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- iv. According to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposit and hence reporting under paragraph 3(v) of the Order is not applicable.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the activities carried out by the Companies.
- vii. According to the information and explanations given to us, in respect of statutory dues:
- The Company is generally regular in depositing undisputed statutory dues, including income-tax, sales tax, service tax, customs duty, excise duty, value added tax, goods and service tax, cess and other material statutory dues applicable to it with the appropriate authorities and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at March 31, 2018.
 - According to the records and information & explanation given to us, the dues in respect of income tax, duty of custom, sales Tax, service tax, duty of excise, goods & service tax and value added tax that have not been deposited with the appropriate authorities on account of any dispute and the forum where the dispute is pending are given below -

(Amount in ₹)

Nature of Statute	Nature of dues	Forum where dispute is pending	Period(s) to which the amount relates	Amount involved	Amount Paid
Income Tax Act, 1961	Income Tax	CIT (Appeal)	AY 2015-16	1,48,490	1,48,490

- viii. The Company has not taken any loan or borrowing from any bank or financial institution. The Company has not issued any debenture. Hence reporting under paragraph 3(viii) of the Order is not applicable.
- ix. The Company has not raised any money by way of Term Loan and hence reporting under paragraph 3(ix) of the Order is not applicable. The Company has not raised any money by way of initial public offer / further public offer (including debt instruments) during the current year.
- x. According to the information and explanations given to us and to the best of our knowledge, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The Company has not paid any managerial remuneration and hence reporting under paragraph 3(xi) of the Order is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion and according to the information and explanation and records made available by the company, the Company has complied with the provision of Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation give to us, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us, and based on the examination of the records of the company, the Company has not entered into any non-cash transactions with its directors or persons connected with him and hence reporting under paragraph 3(xv) of the Order is not applicable.
- xvi. The Company is not required to be registered under section 45-I of the Reserve Bank of India Act, 1934.

For Doogar & Associates
Chartered Accountants
Firm Registration No. 000561N

Vardhman Doogar
Partner
Membership No. 517347

Place: New Delhi
Date: May 28, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I. ASSETS				
Non-Current Assets				
(a) Property, plant and equipment	3	361,155	428,736	520,214
(b) Intangible assets	4	3,305	5,456	-
(c) Financial assets				
(i) Investments	5	77,080,643	104,741,374	76,219,874
(d) Non-current tax assets (net)	6	3,194,906	2,263,669	3,398,215
(e) Other non-current assets	7	-	-	3,000,000
Total Non-Current Assets		80,640,009	107,439,235	83,138,303
Current Assets				
(a) Stock-in-trade	8	22,455,947	29,670,858	20,543,153
(b) Financial assets				
(i) Trade receivables	9	75,974	-	272,500
(ii) Cash and cash equivalents	10	6,778,297	84,373	1,592,504
(iii) Loans	11	45,000,000	25,750,000	23,750,000
(iv) Other financial assets	12	2,405,261	2,026,849	2,288,520
(c) Other current assets	13	1,269,466	405,184	2,734,224
Total Current Assets		77,984,945	57,937,264	51,180,901
Total Assets		158,624,954	165,376,499	134,319,204
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	14	91,401,680	91,401,680	91,401,680
(b) Other equity	15	66,624,828	73,347,246	42,060,478
Total Equity		158,026,508	164,748,926	133,462,158
Liabilities				
Non-current liabilities				
(a) Provisions	16	66,473	221,985	221,985
Total Non-Current Liabilities		66,473	221,985	221,985
Current liabilities				
(a) Financial liabilities				
(i) Trade payables	17	42,442	21,540	-
(b) Other current liabilities	18	489,531	384,048	635,061
Total Current Liabilities		531,973	405,588	635,061
Total Liabilities		598,446	627,573	857,046
TOTAL EQUITY AND LIABILITIES		158,624,954	165,376,499	134,319,204

See accompanying notes to the financial statements

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

Vardhman Doogar
Partner
M. No 517347

Place : New Delhi
Dated: 28-05-2018

For and on behalf of the Board of Directors

Vijay Mehta
Managing Director
DIN : 00057151

Shailendra Haruray
Director
DIN : 00075083

Anup Kumar Verma
Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2018

(₹)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I. Revenue from operations	19	182,480,284	36,560,167
II. Other income	20	5,843,911	4,203,164
III. Total Income (I+II)		188,324,195	40,763,331
IV. Expenses :			
Purchase of shares/ securities (stock-in-trade)		167,003,704	42,009,046
Change in Stock-in-trade of shares / securities		7,214,911	(9,127,705)
Employee benefit expense	21	2,284,717	2,032,435
Finance cost	22	231,071	86,655
Depreciation and amortisation expense	3 & 4	111,332	148,222
Other expenses	23	5,806,296	8,358,310
Total expenses (IV)		182,652,031	43,506,963
V. Profit before tax (III-IV)		5,672,164	(2,743,632)
VII. Tax expense:			
Current tax		-	-
Deferred tax		-	-
Total tax expense (V-VI)		-	-
VIII. Profit for the year (V-VI)		5,672,164	(2,743,632)
IX. Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss		-	-
(B) Items that will not be reclassified to profit or loss			
(i) Equity instruments through other comprehensive income		(12,394,581)	34,030,400
(ii) Income tax (expense)/credit relating to above items		-	-
Total Other comprehensive income (X)		(12,394,581)	34,030,400
X. Total Comprehensive Income for the year (VIII+IX)		(6,722,417)	31,286,768
XI. Earnings per equity share of ₹ 10 each	24		
- Basic		0.62	(0.30)
- Diluted		0.62	(0.30)

See accompanying notes to the financial statements

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

Vardhman Doogar
Partner
M. No 517347

Place : New Delhi
Dated: 28-05-2018

For and on behalf of the Board of Directors

Vijay Mehta
Managing Director
DIN : 00057151

Shailendra Haruray
Director
DIN : 00075083

Anup Kumar Verma
Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

A. Equity Share Capital

(Amount in ₹)

Balance as at April 1, 2016	Movement during the year 2016-17	Balance as at March 31, 2017	Movement during the year 2017-18	Balance as at March 31, 2018
91,401,680	-	91,401,680	-	91,401,680

B. Other Equity

(Amount in ₹)

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	General reserve	Capital reserve	Special reserve	Securities premium	Retained earnings	Equity instruments through OCI	
Balance as at 1st April, 2016	795,199	15,416,690	700,000	111,297,839	(109,987,750)	23,838,500	42,060,478
Profit for the year	-	-	-	-	(2,743,632)	-	(2,743,632)
Comprehensive income of the year (net of tax)	-	-	-	-	-	34,030,400	34,030,400
Balance as at March 31, 2017	795,199	15,416,690	700,000	111,297,839	(112,731,382)	57,868,900	73,347,246
Profit for the year	-	-	-	-	5,672,164	-	5,672,164
Comprehensive income of the year (net of tax)	-	-	-	-	-	(12,394,581)	(12,394,581)
Balance as at March 31, 2018	795,199	15,416,690	700,000	111,297,839	(107,059,218)	45,474,319	66,624,828

See accompanying notes to the financial statements

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

Vardhman Doogar
Partner
M. No 517347

Place : New Delhi
Dated: 28-05-2018

For and on behalf of the Board of Directors

Vijay Mehta
Managing Director
DIN : 00057151

Anup Kumar Verma
Chief Financial Officer

Shailendra Haruray
Director
DIN : 00075083

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2018

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Cash flows from operating activities		
Profit/(loss) for the year	5,672,164	(2,743,632)
Adjustments for:		
- Depreciation and amortisation	111,332	148,222
- Bad Debts written off	18,000	3,299,500
- Interest expense	222,262	83,414
- Interest income	(4,540,798)	(3,095,412)
- Divident received from investments	(1,049,200)	(1,085,850)
Operating profit before changes in assets and liabilities	433,759	(3,393,757)
Adjustments for:		
- Decrease / (increase) in stock-in-trade	7,214,911	(9,127,705)
- Decrease / (increase) in trade receivables	(93,974)	(3,027,000)
- Decrease / (increase) in current financial assets	(378,412)	261,671
- Decrease / (increase) in other current assets	(864,283)	2,329,041
- Increase/ (decrease) in current liabilities and provisions	(12,444,610)	33,779,387
- Increase/ (decrease) in Trade payables	20,903	21,540
	(6,111,705)	20,843,175
Taxes (paid)/refund	(931,237)	1,134,546
Cash inflow/(outflow) from operating activities	(7,042,942)	21,977,721
b) Cash flows from investing activities		
- Loans given	(19,250,000)	(2,000,000)
- Capital expenditure	(41,600)	(62,200)
- (Purchase)/Sale of non-current investments	27,660,731	(28,521,500)
- Interest received	4,540,798	3,095,412
- Capital Advances	-	3,000,000
Divident received from investments	1,049,200	1,085,850
Cash inflow/(outflow) from investing activities	13,959,129	(23,402,438)
c) Cash flows from financing activities		
- Interest paid	(222,262)	(83,414)
Cash inflow/(outflow) from financing activities	(222,262)	(83,414)
Net cash inflow/(outflow) during the year (a+b+c)	6,693,925	(1,508,131)
Cash and cash equivalents as at the beginning of the year	84,373	1,592,504
Cash and cash equivalents as at the end of the year	6,778,298	84,373

NOTES :-

- i) Statement of cash flows has been prepared using Indirect method in accordance with Ind AS-7
(ii) Refer note no. 10 to the financial statements for components of cash and cash equivalents.

See accompanying notes to the financial statements

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

Vardhman Doogar
Partner
M. No 517347

Place : New Delhi
Dated: 28-05-2018

For and on behalf of the Board of Directors

Vijay Mehta
Managing Director
DIN : 00057151

Shailendra Haruray
Director
DIN : 00075083

Anup Kumar Verma
Chief Financial Officer

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

1. Company Overview

MEFCOM CAPITAL MARKETS LIMITED is company incorporated under the Companies Act, 1956 and is engaged in capital market operations and merchant banking activities.

2. Significant Accounting Policies

a. Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rule, 2006 (Indian GAAP). These financial statements have been prepared in accordance with Ind-AS 101, "First Time Adoption of Ind-AS", as these are the Company's first Ind-AS compliant Financial Statements for the year ended March 31, 2018.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b. Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

c. Revenue recognition

- (i) Income from trading in securities and derivatives comprises profit/ loss on sale of securities held as inventories and profit/ loss on equity and derivatives instruments. Profit/ loss on sale of securities are determined on First-In-First-Out ('FIFO').
- (ii) On settlement or squaring-up of contracts for Equity Index/ Stock Futures, the profit or loss is calculated as the difference between settlement/ squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled/ squared-up contract in 'Mark-to-Market Margin—Equity Index/ Stock Futures Account' is recognized in the Statement of Profit and Loss.
- (iii) Income from Merchant Banking Operations is accounted on accrual basis, when the right to receive is established in terms of the agreements with respective clients.
- (iv) Dividend income is recognised when the right to receive payment is established.
- (v) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on, time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly

discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

d. Employee benefits

Short-term employee benefits

Short-term employee benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

Post-employment benefits

(b) Defined benefit plans

Gratuity

Liabilities with regard to the gratuity plan are determined on estimation basis at each balance sheet date using the projected unit credit method. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurements comprising of actuarial gains and losses, on the net defined benefit liability are recognised in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.

e. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation / impairment loss, if any. Cost includes freight, duties, taxes, and other incidental expenses.

f. Intangible assets

Intangible assets are stated at cost less accumulated amount of amortization. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

g. Depreciation and amortisation expenses

Depreciation on property, plant and equipment is provided on straight line method at the rate and in the manner prescribed in Schedule II of the Companies Act, 2013.

Amount spent on renovation including extensions on office premises, taken on rent, is capitalised under the head 'Leased hold improvements' and amortised on straight line basis during the lease term on pro-rata basis.

The Company has applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS and hence regarded thereafter as historical cost.

h. Stock-in-trade

Shares and other securities held as stock-in-trade are valued at fair value. Where no market quotes are available value is taken at rupee one per company. Cost is arrived on Weighted Average cost basis. Cost of Bonus Shares acquired is taken as nil.

i. Leases

Lease under which the risks and rewards incidental to ownership are not transferred to lessee is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight-line basis in net profit in the statement of profit and loss over the lease term.

j. Income tax

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

k. Earnings per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value.

l. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss. Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

(ii) Subsequent measurement

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

m. Provisions and Contingencies

A provision is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources in respect of which a reliable estimate can be made. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised.

Recent Accounting Pronouncements

i. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

ii. vInd AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new standard will be effective from April 1, 2018.

MEFCOM CAPITAL MARKETS LIMITED
3. Property, plant and equipment

Particulars	Leasehold Improvements	Furniture and Fixtures	Office Equipments	Computers	Laptops	Vehicles	Total
Deemed Cost/ Gross carrying amount							
Deemed cost as at April 1, 2016	924,398	1,024,926	2,272,777	1,252,454	44,500	2,601,500	8,120,555
Additions	-	-	-	54,900	-	-	54,900
Disposal/Adjustments	-	-	-	-	-	-	-
Gross carrying amount as at March 31, 2017	924,398	1,024,926	2,272,777	1,307,354	44,500	2,601,500	8,175,455
Additions				41,600			41,600
Disposal/Adjustments							-
Gross carrying amount as at March 31, 2018	924,398	1,024,926	2,272,777	1,348,954	44,500	2,601,500	8,217,055
Accumulated Depreciation							
As at April 1, 2016	924,398	998,297	2,155,700	1,218,968	4,000	2,298,978	7,600,341
Depreciation for the year		272	2,853	39,764	22,448	81,041	146,378
Disposal/Adjustments							-
As at March 31, 2017	924,398	998,569	2,158,553	1,258,732	26,448	2,380,019	7,746,719
Depreciation for the year		205	585	39,698	9,380	59,313	109,181
Disposal/Adjustments							-
As at March 31, 2018	924,398	998,774	2,159,138	1,298,430	35,828	2,439,332	7,855,900
Net Carrying amount							
As at April 1, 2016	-	26,629	117,077	33,486	40,500	302,522	520,214
As at March 31, 2017	-	26,357	114,224	48,622	18,052	221,481	428,736
As at March 31, 2018	-	26,152	113,639	50,524	8,672	162,168	361,155

4. Intangible assets

(Amount in ₹)

Particulars	Software
Deemed Cost/ Gross carrying amount	
Deemed cost as at April 1, 2016	-
Additions	7,300
Disposal/Adjustments	
Gross carrying amount as at March 31, 2017	7,300
Additions	-
Disposal/Adjustments	-
Gross carrying amount as at March 31, 2018	7,300
Accumulated amortisation	
As at April 1, 2016	-
Charge for the year	1,844
Deduction/ Adjustment	-
As at March 31, 2017	1,844
Charge for the year	2,151
Deduction/ Adjustment	
As at March 31, 2018	3,995
Net Carrying amount	
As at April 1, 2016	-
As at March 31, 2017	5,456
As at March 31, 2018	3,305

MEFCOM CAPITAL MARKETS LIMITED
5 Non-current investments

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investments in equity instruments			
(i) Quoted - Measured at Fair Value through OCI			
3,51,306 (March 31, 2017: 4,50,000, April 1, 2016: 4,90,000) equity shares of ₹ 10 each fully paid of Banswara Syntex Ltd.	44,789,269	72,450,000	43,928,500
(ii) Unquoted			
a) Investment in subsidiary measured at cost			
29,99,900 (March 31, 2017: 29,99,900, April 1, 2016: 29,99,900) equity shares of ₹ 10 each fully paid up of Mefcom Securities Ltd.	32,291,324	32,291,324	32,291,324
b) Others - measured at Cost			
40 (March 31, 2017: 40, April 1, 2016: 40) equity shares of ₹ 10 each fully paid up of Mefcom Infrastructure Projects Ltd.	400	400	400
Less: Impairment in value of investments	(350)	(350)	(350)
Total	77,080,643	104,741,374	76,219,874

Notes:

(a) Aggregate amount and market value of quoted investments	44,789,269	72,450,000	43,928,500
(b) Aggregate amount of unquoted investments	32,291,724	32,291,724	32,291,724
(c) Aggregate amount of impairment in value of investments.	350	350	350

6 Non-current tax assets (net)

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance tax including TDS receivable (net of provision)	3,194,906	2,263,669	3,398,215
Total	3,194,906	2,263,669	3,398,215

7 Other non-current assets

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital advances			
- given to related parties	-	-	3,000,000
Total	-	-	3,000,000

8 Stock in Trade

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Stock-in-trade of shares and securities	22,455,947	29,670,858	20,543,153
Total	22,455,947	29,670,858	20,543,153

9 Trade receivables

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good	75,974	-	272,500
Total	75,974	-	272,500

MEFCOM CAPITAL MARKETS LIMITED
10 Cash and cash equivalents

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash on hand	25,800	4,000	318,033
Balances with banks			
- in current accounts	6,752,497	80,373	1,274,471
Total	6,778,297	84,373	1,592,504

11 Current loans

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
(i) Loan to related party	-	750,000	750,000
(ii) Inter-corporate deposits (ICD)	45,000,000	25,000,000	23,000,000
Total	45,000,000	25,750,000	23,750,000

12 Other current financial assets

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
(i) Security deposits given to related party	-	-	1,750,000
(ii) Interest accrued on ICD	2,405,261	2,026,849	538,520
Total	2,405,261	2,026,849	2,288,520

13 Other current assets

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
(i) Prepaid expenses	1,081,749	368,806	2,731,560
(ii) Balance with Government authorities	179,617	36,378	2,664
(iii) Others	8,100	-	-
Total	1,269,466	405,184	2,734,224

14 Equity share capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)	No. of shares	Amount (₹)
Authorised						
Equity shares of ₹ 10 each	10,000,000	100,000,000	10,000,000	100,000,000	10,000,000	100,000,000
Total	10,000,000	100,000,000	10,000,000	100,000,000	10,000,000	100,000,000
Issued, subscribed and fully paid up						
Equity shares of ₹ 10 each	9,140,168	91,401,680	9,140,168	91,401,680	9,140,168	91,401,680
Total	9,140,168	91,401,680	9,140,168	91,401,680	9,140,168	91,401,680

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	No. of shares	No. of shares	No. of shares
Shares at the beginning of the year	9,140,168	9,140,168	9,140,168
Add: shares issued during the year	-	-	-
Less: buy back of shares during the year			
Shares outstanding at the end of the year	9,140,168	9,140,168	9,140,168

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(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

(c) Detail of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Vijay Mehta	5,746,684	62.87%	5,442,887	59.55%	5,180,000	56.67%
Karan Mehta	725,000	7.93%	725,000	7.93%	725,000	7.93%
Shaleen Toshniwal	457,500	5.01%	-	-	-	-

As per the records of the company, the above shareholding represent both legal and beneficial ownership of shares.

15 Other equity

(Amount in ₹)

Particulars	Reserves and Surplus					Other Comprehensive Income	Total
	General reserve	Capital reserve	Special reserve	Securities premium	Retained earnings	Equity instruments through OCI	
Balance as at April 1, 2016	795,199	15,416,690	700,000	111,297,839	(109,987,750)	23,838,500	42,060,478
Loss for the year	-	-	-	-	(2,743,632)	-	(2,743,632)
Comprehensive income of the year (net of tax)	-	-	-	-	-	34,030,400	34,030,400
Balance as at March 31, 2017	795,199	15,416,690	700,000	111,297,839	(112,731,382)	57,868,900	73,347,246
Profit for the year	-	-	-	-	5,672,164	-	5,672,164
Comprehensive Loss of the year (net of tax)	-	-	-	-	-	(12,394,581)	(12,394,581)
Balance as at March 31, 2018	795,199	15,416,690	700,000	111,297,839	(107,059,218)	45,474,319	66,624,828

16 Long term provisions

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits			
- Gratuity	66,473	221,985	221,985
Total	66,473	221,985	221,985

17 Trade payables

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Due to micro, small and medium enterprises *	-	-	-
Due to others	42,442	21,540	-
Total	42,442	21,540	-

* Refer note no. 26

18 Other current liabilities

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Statutory dues payable	43,216	149,605	167,262
Other liabilities	446,314	234,443	467,799
Total	489,531	384,048	635,061

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19 Revenue from operations

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of shares/ securities (stock-in-trade)	181,143,602	35,383,761
Income from merchant banking activities	1,405,000	1,275,000
Profit on sale of shares/securities (Non-Delivery) (net)	2,267	1,530
Loss on dealing in equity / Index derivatives (net)	(70,585)	(100,124)
Total revenue from operations	182,480,284	36,560,167

20 Other income

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income on financial assets measured at amortised cost		
- Interest on Inter-corporate deposit	4,540,798	3,095,412
Dividend income	1,049,200	1,085,850
Miscellaneous income	253,913	21,902
Total other income	5,843,911	4,203,164

21 Employee benefit expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries and wages	2,282,517	1,992,745
Staff welfare expenses	2,200	39,690
Contribution to Fund (PPF)	-	-
Total employee benefit expenses	2,284,717	2,032,435

22 Finance costs

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest expenses	222,262	83,414
Bank and other finance charges	8,809	3,241
Total finance costs	231,071	86,655

23 Other expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent	1,045,200	1,201,120
Electricity charges	248,473	241,812
Security transaction charges	245,206	91,348
Printing & stationery	46,874	43,325
Travelling and conveyance	818,681	81,274
Postage and telephone expenses	578	29,501
Fees & subscription	567,889	553,372
Insurance	18,801	17,973
Professional charges #	604,391	984,286
Repair & maintenance to buildings	357,486	712,586
Repair & maintenance to others	484,124	437,695
Advertisement & publicity expenses	55,722	25,267
Sponsorship fee	75,000	250,000
Business promotion expenses	193,360	47,625
Bad Debts written off	18,000	3,299,500
Director's sitting fee	28,000	30,000
Donation	520,000	-
Miscellaneous expenses	478,511	311,626
Total other expenses	5,806,296	8,358,310

Details of payment to auditors

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Statutory audit fees	64,000	70,000
Tax audit fees	8,260	7,000
Out of pocket expenses	6,978	-
Total payment to auditors	79,238	77,000

24 Earning Per Share (EPS)

The calculation of Earning Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS-33) "Earnings Per Share" given as under: -

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit/(loss) attributable to equity shareholders (₹) (A)	5,672,164	(2,743,632)
Weighted average number of outstanding equity shares (B)	9,140,168	9,140,168
Nominal value per equity share (₹)	10	10
Basic EPS (Amount in ₹) (A/B)	0.62	(0.30)
Diluted EPS (Amount in ₹) (A/B)	0.62	(0.30)

25 Contingent liabilities and commitments

(i) Contingent liabilities

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Corporate Guarantee issued to banker of MSL	7,000,000	7,000,000	7,000,000
(b) Dues in respect of disputed income tax			
- Income tax	238,660	-	-

* The Company has deposited 1,48,490 against such demands and in the opinion of the management the ultimate outcome of these disputed litigations will not have a material adverse effect on the company's financial position and results of operations.

(ii) Commitments

The estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ Nil (March 31, 2017: ₹ Nil and April 1, 2016: ₹ 2,70,00,000)

26 Details of dues to micro, small and medium enterprises as per MSMED Act, 2006

The information regarding micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company.

(Amount in ₹)

S. N.	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
1	Principal amount due outstanding	-	-
2	Interest due on (1) above and unpaid	-	-
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year.	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

27 a) Income tax expense

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax	-	-
Deferred tax	-	-
Total tax expense	-	-

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b) Reconciliation of effective tax rate

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax (A)	5,672,164	(2,743,632)
Enacted tax rate in India (B)	25.75%	30.90%
Expected income tax expense at statutory tax rate (A*B)	1,460,582	-
Expenses not deductible in determining taxable profits	-	-
Increase/(reduction) in taxes on account of:	-	-
Utilisation of unused tax credits	(1,460,582)	-
Tax expense reported	-	-

28 Leases

The Company has leased facilities under cancellable operating lease arrangements with a lease term ranging from one to three years, which are subject to renewal at mutual consent thereafter. The cancellable arrangements can be terminated by either party after giving due notice. The lease rent expenses recognised during the year amounts to ₹ 10,45,200 (Previous year: ₹ 12,01,120)

29 Segment Information as required by Ind AS - 108 'Operating Segments'

The Company is in the business of capital market activities which comprises of proprietary trading in securities and derivatives, merchant banking, having similar economic characteristics which is regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation. Hence, the Company has only one reportable segment under Ind-AS 108 'Operating Segments'.

The Company operates principally within India and does not have operations in economic environments with different risks and returns; hence, it is considered operating in single geographical segment.

30 Disclosures of related parties as required by Ind AS-24 "Related Party Disclosures"

(a) List of related parties

Nature of relationship	Name of the related party
Subsidiary Company	Mefcom Securities Limited
Key Managerial Personnel	Vijay Mehta , Managing Director Anup Kumar Verma , Chief Financial Officer Natasha Goel, Company Secretary (w.e.f. 1 August 2017 to 30 January 2018) Pinky Jha, Company Secretary (resigned w.e.f 30 April 2016) Nipa Verma, Company Secretary (w.e.f. 20 June 2016 to 15 October 2016)
Relatives of Key Managerial Personnel	Priyanka Mehta
Enterprise over which key management personnel can exercise significant influence	Mefcom Commodity Brokers Limited Mefcom Infrastructure Projects Limited IKMA Infoway Pvt. Ltd.

(b) The following transactions were carried out with related parties: -

(Amount in ₹)

Particulars	Subsidiary Company	Key Managerial Personnel	Enterprises Over Which KMP and their relative exercise significant influence	Relatives Of Key Managerial Personnel	Total
Rent paid					
Mr. Vijay Mehta	-	1,293,672	-	-	1,293,672
	-	(1,120,120)	-	-	(1,120,120)
					-
Profit / (Loss) on Sale of Shares(Net)-Non-Delivery					-
Mefcom Securities Limited	2,267	-	-	-	2,267
	(1,530)	-	-	-	(1,530)

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Particulars	Subsidiary Company	Key Managerial Personnel	Enterprises Over Which KMP and their relative exercise significant influence	Relatives Of Key Managerial Personnel	Total
Profit /(Loss) on dealing in derivatives					-
Mefcom Securities Limited	(70,585)	-	-	-	(70,585)
	100,124	-	-	-	100,124
Purchase of shares					-
Mefcom Securities Limited	117,758,027	-	-	-	117,758,027
	(28,828,627)	-	-	-	(28,828,627)
Sale of shares					-
Mefcom Securities Limited	143,759,648	-	-	-	143,759,648
	(25,124,203)	-	-	-	(25,124,203)
Security deposit given back					-
Vijay Mehta	-	-	-	-	-
	-	(1,750,000)	-	-	(1,750,000)
Unsecured Loan given received back					-
Mefcom Securities Limited	750,000	-	-	-	750,000
	-	-	-	-	-
Mefcom Commodity Brokers Limited	-	-	15,000	-	15,000
	-	-	-	-	-
Mefcom Infrastructure Projects Limited	-	-	15,000	-	15,000
	-	-	-	-	-
Remuneration paid					-
Priyanka Mehta	-	-	-	200,000	200,000
	-	-	-	-	-
Anup Kumar Verma	-	385,293	-	-	385,293
	-	(415,063)	-	-	(415,063)
Pinky Jha	-	-	-	-	-
	-	(28,000)	-	-	(28,000)
Nipa Verma	-	-	-	-	-
	-	(156,340)	-	-	(156,340)
Natasha Goel	-	200,838	-	-	200,838
	-	-	-	-	-

(b) The following balances are due to/ from related parties: -

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Remuneration payable			
Priyanka Mehta	100,000	-	-
Security Deposit			
Mr. Vijay Mehta	-	-	1,750,000
Loan & advances			
IKMA Infoway Pvt. Ltd.	-	-	3,000,000
Mefcom Securities Limited	-	750,000	750,000

MEFCOM CAPITAL MARKETS LIMITED

31 Financial risk management objectives

Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's primary focus is to foresee the unpredictability of capital markets and seek to minimize potential adverse effects on its financial performance.

The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency.

I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed in the ordinary course of its business to risks related to equity price fluctuations and interest rates.

(a) Equity price risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments measured at fair value through other comprehensive income exposes the Company to equity price risks. These investments are subject to changes in the market price of securities.

The following table details the Company's sensitivity to a 5% movement in the fair value of such equity instruments as at the end of the reporting period(s): -

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Effect of Increase in fair value of equity instruments	2,239,463	3,622,500	2,196,425
Effect of Decrease in fair value of equity instruments	(2,239,463)	(3,622,500)	(2,196,425)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The inter- corporate loans and advances given are primarily fixed rate bearing loans and advances. Therefore, the Company is not significantly exposed to interest rate risk.

II. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Trade receivables

Customer credit risk is managed centrally by the Company and subject to established policy, procedures and control relating to customer credit risk management. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Neither impaired nor due	-	-	-
Up to 6 months	75,974	-	272,500
6 months to 12 months	-	-	-
Total	75,974	-	272,500

Other financial assets

None of the Company's cash and bank balances are past due or impaired while other loans and receivables that are neither impaired nor past due, there were no indications as at March 31, 2018, that defaults in payment obligations will occur.

III. Liquidity risk

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables			
Upto 1 year	42,442	21,540	-
1 to 2 years	-	-	-
Total	42,442	21,540	-

32 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. The Company reviews its capital structure on regular intervals and is not exposed to any external debt. As part of this review, the Management considers the cost of capital and the risks associated with the movement in the working capital.³³
Fair value of financial assets and financial liabilities

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

33. Fair value of financial assets and financial liabilities

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

Level 1- Quoted prices in an active market

This level of hierarchy includes financial assets that are measured by reference to quoted prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques with observable inputs

This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3- Valuation techniques with significant unobservable inputs

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

a) Financial assets

(Amount in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Designated at FVTOCI						
(i) Long term investments	44,789,269	44,789,269	72,450,000	72,450,000	43,928,500	43,928,500
Total	44,789,269	44,789,269	72,450,000	72,450,000	43,928,500	43,928,500
Designated at amortised cost						
(i) Long term investments	32,291,724	32,291,374	32,291,724	32,291,374	32,291,724	32,291,374
(i) Trade receivables	75,974	75,974	-	-	272,500	272,500
(ii) Cash and bank balances	6,778,297	6,778,297	84,373	84,373	1,592,504	1,592,504
(iii) Current loans	45,000,000	45,000,000	25,750,000	25,750,000	23,750,000	23,750,000
(iv) Other financial assets	2,405,261	2,405,261	2,026,849	2,026,849	2,288,520	2,288,520
Total	86,551,255	86,550,905	60,152,946	60,152,596	60,195,247	60,194,897
Total financial assets	131,340,525	131,340,175	132,602,946	132,602,596	104,123,747	104,123,397

b) Financial liabilities

(Amount in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Designated at amortised cost						
Trade payables	42,442	42,442	21,540	21,540	-	-
Total financial liabilities	42,442	42,442	21,540	21,540	-	-

* FVTPL - Fair Value Through Profit and Loss and FVTOCI - Fair Value Through Other Comprehensive Income

34 First time Ind AS adoption

The Company has prepared the opening balance sheet as per Ind AS as at April 1, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, by reclassifying items from previous GAAP to Ind AS as required by Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions available by the Company as detailed below.

(i) Deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as of April 1, 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

MEFCOM CAPITAL MARKETS LIMITED
(ii) Deemed cost for investments in subsidiaries, associates and joint ventures

The Company has elected to continue with the carrying value of all of its investments in subsidiaries, joint ventures and associates recognised as of April 1, 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

(iii) Designation of previously recognised financial instruments

The Company has designated financial liabilities and financial assets at fair value through profit or loss and investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

a) Reconciliation of Equity as previously reported under IGAAP to Ind-AS

(Amount in ₹)

Particulars	As at March 31, 2017			As at April 1, 2016		
	As per IGAAP	Adjustments	As per Ind AS	As per IGAAP	Adjustments	As per Ind AS
ASSETS						
Non-current assets						
(a) Property, plant and equipment	428,736	-	428,736	520,214	-	520,214
(b) Intangible assets	5,456	-	5,456	-	-	-
(c) Financial assets						
(i) Investments	50,741,374	54,000,000	104,741,374	52,381,374	23,838,500	76,219,874
(d) Non-current tax assets (net)	2,263,669	-	2,263,669	3,398,215	-	3,398,215
(e) Other non-current assets	-	-	-	3,000,000	-	3,000,000
Total non-current assets	53,439,235	54,000,000	107,439,235	59,299,803	23,838,500	83,138,303
Current assets						
(a) Stock in Trade	24,062,278	5,608,580	29,670,858	11,280,598	9,262,555	20,543,153
(b) Financial assets						
(i) Trade receivables	-	-	-	272,500	-	272,500
(ii) Cash & cash equivalents	84,373	-	84,373	1,592,504	-	1,592,504
(iii) Loans	25,750,000	-	25,750,000	23,750,000	-	23,750,000
(iv) Other financial assets	2,026,849	-	2,026,849	2,288,520	-	2,288,520
(c) Other current assets	405,184	-	405,184	2,734,224	-	2,734,224
Total current assets	52,328,683	5,608,580	57,937,264	41,918,346	9,262,555	51,180,901
TOTAL ASSETS	105,767,918	59,608,580	165,376,499	101,218,148	33,101,055	134,319,204
EQUITY AND LIABILITIES						
Equity						
Equity share capital	91,401,680		91,401,680	91,401,680	-	91,401,680
Other equity	13,738,666	59,608,580	73,347,246	8,959,422	33,101,055	42,060,478
Total equity	105,140,346	59,608,580	164,748,926	100,361,102	33,101,055	133,462,158
Non current liabilities						
(a) Provisions	221,985		221,985	221,985		221,985
Total non-current liabilities	221,985	-	221,985	221,985	-	221,985
Current liabilities						
(a) Financial liabilities						
(i) Trade payables	21,540	-	21,540	-	-	-
(b) Other current liabilities	384,048	-	384,048	635,061	-	635,061
Total current liabilities	405,588	-	405,588	635,061	-	635,061
TOTAL EQUITY AND LIABILITIES	105,767,919	59,608,580	165,376,499	101,218,148	33,101,055	134,319,204

b) Reconciliation of total comprehensive income for the year ended March 31, 2017

(Amount in ₹)

Particulars	As per previous GAAP	Effects of transition to Ind AS	As per Ind AS
I. Revenue from operations	36,560,167	-	36,560,167
II. Other income	8,072,064	(3,868,900)	4,203,164
III. Total Income (I+II)	44,632,231	(3,868,900)	40,763,331
IV. Expenses :			
Purchase of shares/ securities (stock-in-trade)	42,009,046	-	42,009,046
Change in inventory of shares / securities (stock-in-trade)	(12,781,680)	3,653,975	-9,127,705
Employee benefit expense	2,032,435	-	2,032,435
Finance cost	86,655	-	86,655
Depreciation and amortisation expense	148,222	-	148,222
Other expenses	8,358,310	-	8,358,310
Total expenses (IV)	39,852,988	3,653,975	43,506,963
V. Profit before and tax (III-IV)	4,779,243	(7,522,875)	(2,743,632)
VI. Tax Expense:			
Current tax	-	-	-
Deferred tax	-	-	-
Total tax expense (VI)	-	-	-
VII. Profit for the year (V-VI)	4,779,243	(7,522,875)	(2,743,632)
VIII. Other Comprehensive Income			
(A) Items that will not be reclassified to profit or loss	-	34,030,400	34,030,400
(B) Items that will be reclassified to profit or loss	-	-	-
Total Other comprehensive income (X)	-	34,030,400	34,030,400
IX. Total Comprehensive Income for the year (IX+X)	4,779,243	26,507,525	31,286,768

c) Notes to the reconciliation of equity as at April 1, 2016 and March 31, 2017 and Total Comprehensive Income for the year ended March 31, 2017:-

(i) Investments

Under Previous GAAP, investments were classified into current and long term investments. Current investments were carried at the lower of cost or market value, while long term investments were carried at cost less any impairment that was other than temporary.

Under Ind AS, equity instruments have been classified as Fair Value through Other Comprehensive Income (FVTOCI). Fair value movements are recognized directly in other comprehensive income on such investments.

(ii) Stock in Trade

Under Previous GAAP, stock-in-trade were valued at cost or net realisable value whichever is lower. However, Under Ind AS, securities or shares held as stock-in-trade are measured at fair value and any gain /(loss) arising on subsequent recognition at the balance sheet date is recognised in Statement of Profit and Loss.

35 Previous year figures have been regrouped/rearranged, wherever considered necessary to conform to current year's classification.

See accompanying notes to the financial statements

As per our report of even date

For Doogar & Associates
Chartered Accountants
Firm's registration No. 000561N

Vardhman Doogar
Partner
M. No 517347

Place : New Delhi
Dated: 28-05-2018

For and on behalf of the Board of Directors

Vijay Mehta
Managing Director
DIN : 00057151

Shailendra Haruray
Director
DIN : 00075083

Anup Kumar Verma
Chief Financial Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS MEFCOM CAPITAL MARKETS LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of **Mefcom Capital Markets Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement, the Consolidated Statement of changes in equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind-AS Financial Statements").

Management's Responsibility for the Consolidated IndAS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind-AS financial statements in terms of the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the Consolidated financial performance (including Other Comprehensive Income), Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (IndAS) specified under Section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.

The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS Financial Statements by the Board of Directors of the Holding Company, as aforesaid .

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standard on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Ind AS Financial Statements. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS Financial Statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the Consolidated State of Affairs of the Group as at March 31, 2018, and their Consolidated Loss (including Other Comprehensive Loss), their Consolidated Cash Flows and the Consolidated Statement of Changes in equity for the year ended on that date.

Other Matter

The consolidated financial statements of the Company for the year ended March 31, 2017, were audited by another firm of Chartered Accountants under the Companies Act, 2013 who vide their report dated May 30, 2017, expressed a qualified opinion on those financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report, to the extent applicable that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law related to aforesaid Consolidated Ind AS Financial Statements have been kept so far as it appears from our examination of those books.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including the Statement of Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of Consolidated Ind AS Financial Statements.
 - d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e. On the basis of the written representations received from the directors of the Holding Company on March 31, 2018 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group's Companies is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company, its Subsidiaries incorporated in India, refer to our separate report in "Annexure A".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Consolidated Financial Statements disclose the impact of pending litigations on its Consolidated Financial Position of the Group – Refer note 28 to the consolidated financial statements.
 - ii. The Holding Company and its Subsidiaries incorporated in India did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its Subsidiaries incorporated in India during the year ended March 31, 2018.

For **Doogar & Associates**
Chartered Accountants
Firm Registration No. 000561N

Vardhman Doogar
Partner
Membership No. 517347

Place: New Delhi
Date: May 28, 2018

Annexure “A” to the Independent Auditor’s Report on Consolidated Ind AS financial statements

(Referred to in paragraph 1 (f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated Ind AS financial statements of Mefcom Capital Markets Limited (“the Holding Company”) as of and for the year ended 31 March 2018, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India as of that date.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Holding Company and its subsidiary companies incorporated in India considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) issued by the Institute of Chartered Accountants of India (“ICAI”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Holding Company’s, and its subsidiary companies incorporated in India, internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company’s and its subsidiary companies incorporated in India, internal financial control system with reference to financial statements.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial controls with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiary companies incorporated in India, have in all material respects, an adequate internal financial control system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2018, based on the internal controls with reference to financial statements criteria established by the Holding Company and its subsidiary companies, considering the essential components of internal controls stated in the Guidance Note issued by the ICAI.

For **Doogar & Associates**
Chartered Accountants
Firm Registration No. 000561N

Vardhman Doogar
Partner
Membership No. 517347

Place: New Delhi
Date: May 28, 2018

Consolidated - Mefcom Capital Market Limited
Balance Sheet as at 31st March, 2018

(₹)

		As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
I. ASSETS				
Non-current assets				
(a) Property, plant and equipment	3	1,043,380	1,044,938	1,128,108
(b) Goodwill		12,967,899	2,292,324	2,292,324
(c) Intangible assets	4	21,702	5,456	210,000
(d) Financial assets				
(i) Investments	5	54,281,819	92,402,554	53,859,302
(e) Non-current tax assets (net)	6	4,614,873	3,598,282	3,785,084
(f) Other non-current assets	7	-	-	3,000,000
Total non-current assets		72,929,673	99,343,554	64,274,818
Current assets				
(a) Stock in Trade	8	30,282,247	36,625,108	20,543,153
(b) Financial assets				
(i) Trade receivables	9	4,931,211	6,274,957	13,539,223
(ii) Cash and Bank Balances	10			
(1) Cash & Cash Equivalents		8,898,020	3,387,594	3,495,127
(2) Bank Balances other than (1) above		3,589,332	3,589,332	3,589,332
(iii) Loans	11	45,000,000	25,000,000	23,000,000
(iv) Other financial assets	12	12,315,714	11,287,194	14,304,263
(c) Other current assets	13	1,320,381	5,617,802	4,201,682
Total current assets		106,336,905	91,781,987	82,672,780
Total assets		179,266,578	191,125,541	146,947,598
II. EQUITY AND LIABILITIES				
Equity				
(a) Equity share capital	14	91,401,680	91,401,680	91,401,680
(b) Other equity	15	65,009,691	73,734,919	34,692,392
Total Equity		156,411,371	165,136,599	126,094,072
Non-controlling interests				
		18,947,098	20,289,447	15,088,534
Liabilities				
Non-current liabilities				
(a) Provisions	16	66,473	221,985	1,020,007
Total non-current liabilities		66,473	221,985	1,020,007
Current liabilities				
(a) Financial liabilities				
(i) Borrowings	17	-	750,000	250,000
(ii) Trade payables	18	388,580	1,825,623	753,608
(iii) Other financial liabilities	19	273,566	273,566	614,667
(b) Other current liabilities	20	3,179,490	2,628,321	3,126,710
Total Current liabilities		3,841,636	5,477,510	4,744,985
Total liabilities		3,908,109	5,699,495	5,764,992
TOTAL EQUITY AND LIABILITIES		179,266,578	191,125,541	146,947,598

See accompanying notes to the financial statements

1 to 40

See accompanying notes to the financial statements

For **Doogar & Associates**

Chartered Accountants

Firm's registration No. 000561N

Vardhman Doogar

Partner

M. No 517347

Place : New Delhi

Dated: 28-05-2018

For and on behalf of the Board of Directors

Vijay Mehta

Managing Director

DIN : 00057151

Shailendra Haruray

Director

DIN : 00075083

Anup Kumar Verma

Chief Financial Officer

Consolidated - Mefcom Capital Market Limited
Statement of Profit and Loss for the year ended 31st March, 2018

(₹)

Particulars	Note No.	For the year ended March 31, 2018	For the year ended March 31, 2017
I. Revenue from operations	21	250,622,218	46,772,149
II. Other income	22	6,702,732	15,524,419
III. Total Income (I+II)		257,324,950	62,296,568
IV. Expenses :			
Purchase of stock-in-trade of shares/ securities		233,148,566	56,170,553
Change in stock-in-trade of shares/ securities	23	6,342,861	(16,081,955)
Employee benefit expense	24	3,766,443	3,583,496
Finance cost	25	338,195	212,887
Depreciation and amortisation expense	3 & 4	130,231	209,751
Other expenses	26	8,503,525	22,635,096
Total expenses (IV)		252,229,821	66,729,828
V. Profit/(loss) before tax (III-IV)		5,095,129	(4,433,260)
VII. Tax Expense:			
Current tax		-	373,063
Deferred tax		-	-
Total tax expense (VII)		-	373,063
VIII. Profit for the year (III-IV)		5,095,129	(4,806,323)
IX. Share of profit from an associate		-	2,805,127
X. Total Profit/(Loss) for the year		5,095,129	(2,001,196)
XI. Other Comprehensive Income			
(A) Items that will be reclassified to profit or loss		-	-
(B) Items that will not be reclassified to profit or loss			
(i) Equity instruments fair value through other comprehensive income		(15,162,706)	46,251,024
(ii) Income tax (expense)/credit relating to above items		-	-
Total Other comprehensive income/(loss) (X)		(15,162,706)	46,251,024
XII. Total Comprehensive Income/(loss) for the year (X+XI)		(10,067,577)	44,249,828
Profit/(loss) for the year attributable to: -			
Owners of the Company		5,330,173	(2,313,615)
Non-controlling interest		(235,043)	312,419
Other comprehensive income/(loss) attributable to: -			
Owners of the Company		(14,055,401)	41,362,530
Non-controlling interest		(1,107,305)	4,888,494
XIII. Earnings per equity share of ₹ 10 each	27		
- Basic		0.56	(0.49)
- Diluted		0.56	(0.49)
See accompanying notes to the financial statements	1 to 40		

See accompanying notes to the financial statements

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

Vardhman Doogar
Partner
M. No 517347

Place : New Delhi
Dated: 28-05-2018

For and on behalf of the Board of Directors

Vijay Mehta
Managing Director
DIN : 00057151

Shailendra Haruray
Director
DIN : 00075083

Anup Kumar Verma
Chief Financial Officer

Mefcom Capital Markets Limited
Cash Flow Statement for the year ended 31st March, 2018

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
a) Cash flows from operating activities		
Profit/(loss) for the year	5,095,129	(4,433,260)
Adjustments for:		
- Share of (Profit)/Loss of Associate	-	2,805,127
- Depreciation and amortisation	130,231	209,751
- Bad Debts written off	18,000	10,291,264
- Interest expense	222,262	102,080
- Interest income	(4,540,798)	(3,095,412)
- Dividend received from investments	(1,668,700)	(1,348,350)
Operating profit before changes in assets and liabilities	(743,876)	4,531,200
Adjustments for:		
- Decrease / (increase) in stock-in-trade	6,342,861	(16,081,955)
- Decrease / (increase) in trade receivables	1,325,746	(3,026,999)
- Decrease / (increase) in current financial assets	(1,028,521)	3,017,069
- Decrease / (increase) in other current assets	4,297,421	(1,416,120)
- Decrease / (increase) in financial liabilities	-	(341,101)
- Increase/ (decrease) in current liabilities and provisions	(14,767,050)	44,954,613
- Increase/ (decrease) in Trade payables	(1,437,042)	1,072,015
	(6,010,461)	32,708,722
Taxes (paid)/refund	(1,016,591)	(186,261)
Cash inflow/(outflow) from operating activities	(7,027,052)	32,522,462
b) Cash flows from investing activities		
- Loans given	(20,000,000)	(2,000,000)
- Acquisition of property, plant and equipment	(10,820,494)	(219,938)
- Sale Proceeds from property, plant and equipment	-	291,513
- (Purchase)/Sale of non-current investments	38,120,734	(38,543,252)
- Interest received	4,540,798	3,095,412
- Capital advances given	-	3,000,000
- Dividend received	1,668,700	1,348,350
Cash inflow/(outflow) from investing activities	13,509,739	(33,027,915)
c) Cash flows from financing activities		
- Increase/ (decrease) in short-term borrowings	(750,000)	500,000
- Interest paid	(222,262)	(102,080)
Cash inflow/(outflow) from financing activities	(972,262)	397,920
Net cash inflow/(outflow) during the year (a+b+c)	5,510,426	(107,533)
Cash and cash equivalents as at the beginning of the year	6,976,926	7,084,459
Cash and cash equivalents as at the end of the year	12,487,352	6,976,926

NOTES:- (i) Statement of cash flows has been prepared in accordance with Ind AS-7
(ii) Refer note no. 10 to the financial statements for components of cash and cash equivalents.

See accompanying notes to the financial statements 1 to 40

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

Vardhman Doogar
Partner
M. No 517347

Place : New Delhi
Dated: 28-05-2018

For and on behalf of the Board of Directors

Vijay Mehta
Managing Director
DIN : 00057151

Shailendra Haruray
Director
DIN : 00075083

Anup Kumar Verma
Chief Financial Officer

Mefcom Capital Markets Limited
Consolidated Statement of Changes in equity for the year ended March 31, 2018

Particulars	Reserves and Surplus					Other Comprehensive Income	Attributable to owners of the parent	Non-controlling interest	Total
	General reserve	Capital reserve	Special reserve	Securities premium	Retained earnings				
Balance as at April 1, 2016	795,199	15,416,690	700,000	111,297,839	(117,355,836)	23,838,500	34,692,392	(4,912,466)	29,779,926
Loss for the year	-	-	-	-	(2,001,196)	-	(2,320,003)	312,419	(4,008,780)
Other Comprehensive income of the year (net of tax)	-	-	-	-	-	41,362,530	41,362,530	4,888,494	87,613,554
Balance as at March 31, 2017	795,199	15,416,690	700,000	111,297,839	(119,357,032)	65,201,030	73,734,919	288,447	113,384,700
Profit for the year	-	-	-	-	5,095,129	-	5,330,173	(235,043)	5,095,129
Other Comprehensive Loss of the year (net of tax)	-	-	-	-	-	(14,055,401)	(14,055,401)	(1,107,305)	(15,162,706)
Balance as at March 31, 2018	795,199	15,416,690	700,000	111,297,839	(114,261,902)	51,145,629	65,009,691	(1,053,902)	103,317,123

See accompanying notes to the financial statements 1 to 40

For **Doogar & Associates**
Chartered Accountants
Firm's registration No. 000561N

Vardhman Doogar
Partner
M. No 517347

Place : New Delhi
Dated: 28-05-2018

For and on behalf of the Board of Directors

Vijay Mehta
Managing Director
DIN : 00057151

Shailendra Haruray
Director
DIN : 00075083

Anup Kumar Verma
Chief Financial Officer

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2018**

1) Basis of Preparation and Presentation**a) Statement of compliance**

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

For all periods up to and including the year ended 31 March 2017, the Group prepared its financial statements in accordance with accounting standards notified under Companies (Accounting Standard) Rules, 2006 (Indian GAAP). These financial statements have been prepared in accordance with Ind-AS 101, "First Time Adoption of Ind-AS", as these are the Group's first Ind-AS compliant Financial Statements for the year ended March 31, 2018.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Principles of Consolidation

The Consolidated Financial Statements relate to Mefcom Capital Markets Limited and its subsidiaries and associates (hereinafter collectively referred to as "the Group"). The consolidated financial statements have been prepared on the following basis:

- i) The Consolidated Financial Statements of the Group have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating material intra-group balances and intra-group transactions and resulting in unrealised profits or losses, unless cost cannot be recovered.
- ii) The Financial Statements of the Subsidiaries in the Consolidation are drawn up to the same reporting date as that of the Company i.e. March 31, 2018.
- iii) The difference between the cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
- iv) Non-controlling Interest in the Net Assets of the Consolidated Subsidiaries consists of:
 - a) The amount of equity attributable to Non-controlling interest at the date on which the investment in the Subsidiary is made; and
 - b) The Non-controlling's share of movements in Equity since the date the Parent Subsidiary relationship came into existence.
- v) Non-controlling Interest share in the Net Profit for the year of the Consolidated Subsidiaries is identified and adjusted against the Profit After Tax of the Group.

c) Particulars of Consolidation

The financial statements of the following subsidiaries have been considered for the purpose of consolidation: -

Name of the Company	Country of Incorporation	% Shareholding/ Voting Power		
		31-Mar-18	31-Mar-17	1-Apr-16
Mefcom Securities Limited	India	59.998%	59.998%	59.998%

Mefcom Commodity Brokers Limited (MCBL) was considered as associate of the Group for the financial year 31, 2017 and the results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method and accounting. With effect from 28th March, 2018 MSL held 60.73% in share capital of MCBL and accordingly was consolidated as a subsidiary company of MSL.

1. Significant Accounting Policies**a. Use of estimates and judgements**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made. Differences between actual results and estimates are recognised in the period in which the results are known/ materialised.

b. Revenue recognition

- (i) Income from trading in securities and derivatives comprises profit/ loss on sale of securities held as inventories and profit/ loss on equity and derivatives instruments. Profit/ loss on sale of securities are determined on FIFO basis.
- (ii) On settlement or squaring-up of contracts for Equity Index/ Stock Futures, the profit or loss is calculated as the difference between settlement/ squaring-up price and contract price. Accordingly, debit or credit balance pertaining to the settled/ squared-up contract in 'Mark-to-Market Margin–Equity Index/ Stock Futures Account' is recognized in the Statement of Profit and Loss.
- (iii) Income from Merchant Banking Operations is accounted on accrual basis, when the right to receive is established in terms of the agreements with respective clients.
- (iv) Dividend income is recognised when the right to receive payment is established.
- (v) Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably.

c. Employee benefits**Short-term employee benefits**

Short-term employee benefits are recognized as an expense on an undiscounted basis in the statement of profit and loss of the year in which the related service is rendered.

Post-employment benefits

(b) Defined benefit plans

Gratuity

Liabilities with regard to the gratuity plan are determined on estimation basis at each balance sheet date using the projected unit credit method. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Remeasurements comprising of actuarial gains and losses, on the net defined benefit liability are recognised in Other Comprehensive Income which are not reclassified to profit or loss in subsequent periods.

d. Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation / impairment loss, if any. Cost includes freight, duties, taxes, and other incidental expenses.

e. Intangible assets

Intangible assets are stated at cost less accumulated amount of amortization. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use.

f. Depreciation and amortisation expenses

Depreciation on property, plant and equipment is provided on straight line method at the rate and in the manner prescribed in Schedule II of the Companies Act, 2013.

Amount spent on renovation including extensions on office premises, taken on rent, is capitalised under the head 'Leased hold improvements' and amortised on straight line basis during the lease term on pro-rata basis.

The Company has applied for the one-time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2016 as the deemed cost under IND AS and hence regarded thereafter as historical cost.

g. Stock-in-trade

Shares and other securities held as stock-in-trade are valued at fair value. Where no market quotes are available value is taken at rupee one per company. Cost is arrived on Weighted Average cost basis. Cost of Bonus Shares acquired is taken as nil.

h. Leases

Lease under which the risks and rewards incidental to ownership are not transferred to lessee is classified as operating lease. Lease payments under operating leases are recognized as an expense on a straight-line basis in net profit in the statement of profit and loss over the lease term.

i. Income tax

Income tax expense represents the sum of current and deferred tax (including MAT). Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in such cases the tax is also recognised directly in equity or in other comprehensive income.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the Balance sheet and the corresponding tax bases used in the computation of taxable profit and are accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised. Deferred tax assets and liabilities are measured at the applicable tax rates. Deferred tax assets and deferred tax liabilities are off set and presented as net.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available against which the temporary differences can be utilised.

Credit of MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the profit and loss account and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

j. Earnings per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value.

k. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(i) Initial Recognition and measurement

On initial recognition, all the financial assets and liabilities are recognized at its fair value plus or minus transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability except financial asset or financial liability measured at fair value through profit or loss. Transaction costs of financial assets and liabilities carried at fair value through the Profit and Loss are immediately recognized in the Statement of Profit and Loss.

(ii) Subsequent measurement

Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

MEFCOM CAPITAL MARKETS LIMITED

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through profit or loss (FVTPL)

A financial asset is measured at fair value through profit and loss unless it is measured at amortized cost or at fair value through other comprehensive income.

Financial liabilities

The financial liabilities are subsequently carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

I. Provisions and Contingencies

A provision is recognized when there is a present obligation as a result of past event and it is probable that there will be an outflow of resources in respect of which a reliable estimate can be made. Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised.

Recent Accounting Pronouncements

i. Appendix B to Ind AS 21, Foreign currency transactions and advance consideration:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018.

ii. Ind AS 115- Revenue from Contract with Customers:

On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The new standard will be effective from April 1, 2018.

3. Property, plant and equipment

(Amount in ₹)

Particulars	Leasehold Improvements	Furniture and Fixtures	Office Equipments	Computers	Laptops	Vehicles	Air Condition Set	EPBX & Intercom System	Total
Deemed Cost/ Gross carrying amount									
Deemed cost as at April 1, 2016	924,398	2,458,310	2,564,607	7,984,671	44,500	4,644,392	389,295	305,499	19,315,671
Additions	-	-	-	206,250	-	-	-	-	206,250
Disposal/Adjustments	-	-	-	-	-	1,502,485	-	-	1,502,485
Gross carrying amount as at March 31, 2017	924,398	2,458,310	2,564,607	8,190,921	44,500	3,141,907	389,295	305,499	18,019,436
Additions	-	-	8,000	107,110	-	-	-	-	115,110
Disposal/Adjustments	-	-	-	-	-	-	-	-	-
Gross carrying amount as at March 31, 2018	924,398	2,458,310	2,572,607	8,298,031	44,500	3,141,907	389,295	305,499	18,134,547
Accumulated Depreciation									
As at April 1, 2016	924,398	2,325,049	2,432,938	7,608,185	4,000	4,233,643	369,830	289,519	18,187,563
Depreciation for the year	-	38,010	2,853	46,355	22,448	97,163	-	1,078	207,907
Disposal/Adjustments	-	-	-	(6,389)	-	1,427,361	-	-	1,420,972
As at March 31, 2017	924,398	2,363,059	2,435,791	7,660,929	26,448	2,903,445	369,830	290,597	16,974,498
Depreciation for the year	-	205	634	47,137	9,380	59,313	-	-	116,669
Disposal/Adjustments	-	-	-	-	-	-	-	-	-
As at March 31, 2018	924,398	2,363,264	2,436,425	7,708,066	35,828	2,962,758	369,830	290,597	17,091,167
Net Carrying amount									
As at April 1, 2016	-	133,261	131,668	376,485	40,500	410,749	19,465	15,980	1,128,108
As at March 31, 2017	-	95,251	128,816	529,991	18,052	238,462	19,465	14,902	1,044,938
As at March 31, 2018	-	95,046	136,182	589,964	8,672	179,149	19,465	14,902	1,043,379

4. Intangible assets

(Amount in ₹)

Particulars	OTCEI Membership	Softwares	Total
Deemed Cost/ Gross carrying amount			
Deemed cost as at April 1, 2016	210,000	884,081	1,094,081
Additions	-	7,300	7,300
Disposal/Adjustments	210,000	-	210,000
Gross carrying amount as at March 31, 2017	-	891,381	891,381
Additions	-	31,959	31,959
Disposal/Adjustments	-	-	-
Gross carrying amount as at March 31, 2018	-	923,340	923,340
Accumulated amortisation			
As at April 1, 2016	-	884,081	884,081
Charge for the year	-	1,844	1,844
Deduction/ Adjustment	-	-	-
As at March 31, 2017	-	885,925	885,925
Charge for the year	-	15,713	15,713
Deduction/ Adjustment	-	-	-
As at March 31, 2018	-	901,638	901,638
Net Carrying amount			
As at April 1, 2016	210,000	-	210,000
As at March 31, 2017	-	5,456	5,456
As at March 31, 2018	-	21,702	21,702

5 Non-current investments

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investments in equity instruments			
(i) Quoted - Measured at Fair Value through OCI			
a) 3,51,306 (March 31, 2017: 4,50,000, April 1, 2016: 4,90,000) equity shares of ₹ 10 each fully paid of Banswara Syntex Ltd.	44,789,269	72,450,000	43,928,500
b) 12,500 (March 31, 2017: 25,000, April 1, 2016: 50,000) equity shares of ₹ 10 each fully paid up of Bombay Stock Exchange Ltd.	9,452,500	12,220,625	5,004,000
(ii) Unquoted			
a) Investment in associates			
7,89,500 (March 31, 2017: 4,89,500, April 1, 2016: 4,89,500) equity shares of ₹ 10 each fully paid up of Mefcom Commodity Brokers Ltd.*	-	7,691,879	4,886,752
b) Others - measured at Cost			
40,040 (March 31, 2017: 40,040, April 1, 2016: 40,040) equity shares of ₹ 10 each fully paid up of Mefcom Infrastructure Projects Ltd.	40,400	40,400	40,400
Less: Impairment in value of investments	(350)	(350)	(350)
Total	54,281,819	92,402,554	53,859,302

Notes:

(a) Aggregate amount and market value of quoted investments	54,241,769	84,670,625	48,932,500
(b) Aggregate amount of unquoted investments	40,050	7,731,929	4,926,802
(c) Aggregate amount of impairment in value of investments.	350	350	350

* Ceased to be associate w.e.f 27.03.2018

6 Non-current tax assets (net)

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance tax including TDS receivable (net of provision)	4,614,873	3,598,282	3,785,084
Total	4,614,873	3,598,282	3,785,084

MEFCOM CAPITAL MARKETS LIMITED
7 Other non-current assets

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital advances			
- given to related parties	-	-	3,000,000
Total	-	-	3,000,000

8 Stock in Trade

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Stock-in-trade of shares and securities	30,282,247	36,625,108	20,543,153
Total	30,282,247	36,625,108	20,543,153

9 Trade receivables

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good	4,931,211	6,274,957	13,539,223
Total	4,931,211	6,274,957	13,539,223

10 Cash and bank balances

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(1) Cash & cash equivalents			
Cash on hand	52,780	10,980	437,324
Balances with banks			
- in current accounts	8,845,240	3,376,614	3,057,804
	8,898,020	3,387,594	3,495,127
(2) Bank balances other than cash & cash equivalents			
Term deposit (more than three months but less than twelve months)	3,589,332	3,589,332	3,589,332
	3,589,332	3,589,332	3,589,332
Total	12,487,352	6,976,926	7,084,459

11 Current loans

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
(i) Inter-corporate deposits (ICD)	45,000,000	25,000,000	23,000,000
Total	45,000,000	25,000,000	23,000,000

12 Other current financial assets

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
(i) Membership Deposit (NSE)	5,000,000	5,000,000	5,000,000
(ii) Capital Adequacy (Cash & F&O) with NSE & BSE	1,425,000	1,425,000	1,425,000
(iii) Advances to Clearing Member (Future & Option)	1,000,000	1,000,000	1,000,000
(iv) Security Deposits	2,446,375	1,796,266	1,750,000
(v) Other deposits	29,250	29,250	324,250
(vi) Interest Due on Fixed Deposit	9,828	9,828	33,054
(vii) Interest accrued on ICD	2,405,261	2,026,849	538,520
(viii) Others	-	-	4,233,439
Total	12,315,714	11,287,193	14,304,263

13 Other current assets

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, considered good			
(i) Prepaid expenses	1,081,749	368,805	2,731,560
(ii) Balance with Government authorities	179,617	36,378	2,664
(iii) Others	59,015	5,212,619	1,467,458
Total	1,320,381	5,617,802	4,201,682

14 Equity share capital

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)	No. of shares	Amount (₹)
Authorised						
Equity shares of ₹ 10 each	10,000,000	100,000,000	10,000,000	100,000,000	10,000,000	100,000,000
Total	10,000,000	100,000,000	10,000,000	100,000,000	10,000,000	100,000,000
Issued, subscribed and fully paid up						
Equity shares of ₹ 10 each	9,140,168	91,401,680	9,140,168	91,401,680	9,140,168	91,401,680
Total	9,140,168	91,401,680	9,140,168	91,401,680	9,140,168	91,401,680

(a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period :

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	No. of shares	No. of shares	No. of shares
Shares at the beginning of the year	9,140,168	9,140,168	9,140,168
Add: shares issued during the year	-	-	-
Less: buy back of shares during the year	-	-	-
Shares outstanding at the end of the year	9,140,168	9,140,168	9,140,168

(b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of shareholders except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

(c) Detail of shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of shares	% holding	No. of shares	% holding	No. of shares	% holding
Vijay Mehta	5,746,684	62.87%	5,442,887	59.55%	5,180,000	56.67%
Karan Mehta	725,000	7.93%	725,000	7.93%	725,000	7.93%
Shaleen Toshniwal	457,500	5.01%	-	0.00%	-	0.00%

As per the records of the company, the above shareholding represent both legal and beneficial ownership of shares.

15 Other equity

(Amount in ₹)

Particulars	Reserves and Surplus					Other Comprehensive Income	Attributable to owners of the parent	Non-controlling interest	Total
	General reserve	Capital reserve	Special reserve	Securities premium	Retained earnings				
Balance as at April 1, 2016	795,199	15,416,690	700,000	111,297,839	(117,355,836)	23,838,500	34,692,392	(4,912,466)	29,779,926
Loss for the year	-	-	-	-	(2,001,196)	-	(2,320,003)	312,419	(4,008,780)
Other Comprehensive income of the year (net of tax)	-	-	-	-	-	41,362,530	41,362,530	4,888,494	87,613,554
Balance as at March 31, 2017	795,199	15,416,690	700,000	111,297,839	(119,357,032)	65,201,030	73,734,919	288,447	113,384,700
Profit for the year	-	-	-	-	5,095,129	-	5,330,173	(235,043)	5,095,129
Other Comprehensive Loss of the year (net of tax)	-	-	-	-	-	(14,055,401)	(14,055,401)	(1,107,305)	(15,162,706)
Balance as at March 31, 2018	795,199	15,416,690	700,000	111,297,839	(114,261,902)	51,145,629	65,009,691	(1,053,902)	103,317,123

MEFCOM CAPITAL MARKETS LIMITED
16 Long term provisions

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits			
- Gratuity	66,473	221,985	1,020,007
Total	66,473	221,985	1,020,007

17 Long-term borrowings

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured			
Loan from related party	-	750,000	-
Loan from directors		-	250,000
Total	-	750,000	250,000

18 Trade payables

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Due to micro, small and medium enterprises *	-	-	-
Due to others	388,580	1,825,623	753,608
Total	388,580	1,825,623	753,608

* Refer note no. 29

19 Other financial liabilities

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Employees related payables	-	-	74,399
Security deposit	273,566	273,566	540,268
Total	273,566	273,566	614,667

20 Other current liabilities

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Statutory dues payable	32,606	182,389	218,146
Margin From clients	2,357,604	1,884,437	1,999,445
Other liabilities	789,280	561,496	909,119
Total	3,179,490	2,628,321	3,126,710

21 Revenue from operations

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Sale of shares/ securities (stock-in-trade)	246,825,024	43,383,711
Income from merchant banking activities	3,865,512	3,487,032
Profit on sale of shares/securities (Non-Delivery) (net)	2,267	1,530
Loss on dealing in equity / Index derivatives (net)	(70,585)	(100,124)
Total revenue from operations	250,622,218	46,772,149

22 Other income

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest Income on financial assets measured at amortised cost		
- Interest on Inter-corporate deposit	4,540,798	3,095,412
Dividend income	1,668,700	1,348,350
Miscellaneous income	493,234	11,080,657
Total other income	6,702,732	15,524,419

23 Changes in stock-in-trade of shares / securities

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Opening stock-in-trade		
- Shares and securities	36,625,108	20,543,153
Closing stock-in-trade		
- Shares and securities	30,282,247	36,625,108
(Increase)/ decrease in stock-in-trade	6,342,861	(16,081,955)

24 Employee benefit expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries including bonus	3,667,195	3,413,008
Contribution to other funds	66,359	73,622
Staff welfare expenses	32,889	96,866
Total employee benefit expenses	3,766,443	3,583,496

25 Finance cost

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Interest expenses	222,262	102,080
Bank and finance charges	115,933	110,807
Total finance costs	338,195	212,887

26 Other expenses

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent	1,105,200	1,261,120
Electricity charges	252,773	243,672
Stock Exchange charges	635,763	201,337
Security transaction charges	245,206	91,348
Printing & stationery	75,064	63,892
Travelling and conveyance	1,040,948	189,439
Postage and telephone expenses	84,005	119,721
Fees & subscription	607,389	623,619
Insurance	33,194	31,826
Professional charges #	702,179	1,083,386
Depository Charges	88,933	62,276
Repair & maintenance to buildings	357,486	712,586
Repair & maintenance to others	697,124	552,435
Sub-Brokerage Paid	779,955	730,322
SEBI Turnover Fees	7,750	4,026
Advertisement & publicity expenses	55,722	25,267
Sponsorship fee	75,000	250,000
Business promotion expenses	194,245	54,466
Bad Debts written off	18,000	10,291,264
Filing & listing Fees	6,006	6,075
Diwali expenses	21,000	51,345
Rates and taxes	-	-
Demand from Authorities	13,633	-
Sundry assets written off	180,077	5,244,000
Vehicle Running & Maintenance	10,348	30,635
Director's sitting fee	28,000	30,000
Donation	520,000	-
Miscellaneous expenses	668,527	681,038
Total other expenses	8,503,525	22,635,096

Details of payment to auditors

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Statutory audit fees	92,000	117,000
Tax audit fees	8,260	7,000
Out of pocket expenses	10,723	3,745
Total payment to auditors	110,983	127,745

27 Earnings Per Share (EPS)

The calculation of Earnings Per Share (EPS) as disclosed in the statement of profit and loss has been made in accordance with Indian Accounting Standard (Ind AS-33) "Earnings Per Share" given as under: -

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit/(loss) attributable to equity shareholders (₹) (A)	5,095,129	(4,433,260)
Weighted average number of outstanding equity shares (B)	9,140,168	9,140,168
Nominal value per equity share (₹)	10	10
Basic EPS (Amount in ₹) (A/B)	0.56	(0.49)
Diluted EPS (Amount in ₹) (A/B)	0.56	(0.49)

28 Contingent liabilities and commitments

(i) Contingent liabilities

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at March 31, 2016
(a) Guarantee issued by bank on behalf of the Company	7,000,000	7,000,000	7,000,000
(b) Corporate Guarantee issued to banker of MSL	7,000,000	7,000,000	10,000,000
(c) Dues in respect of disputed income tax			
- Income tax	238,660	-	-

* The Company has deposited 1,48,490 against such demands and in the opinion of the management the ultimate outcome of these disputed litigations will not have a material adverse effect on the company's financial position and results of operations.

(ii) Commitments

The estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ Nil (March 31, 2017: ₹ 75,00,000 and April 1, 2016: ₹ 2,70,00,000)

29 Details of dues to micro, small and medium enterprises as per MSMED Act, 2006

The information regarding micro, small and medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

(Amount in ₹)

S.N.	Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
1	Principal amount due outstanding	-	-
2	Interest due on (1) above and unpaid	-	-
3	Interest paid to the supplier	-	-
4	Payments made to the supplier beyond the appointed day during the year.	-	-
5	Interest due and payable for the period of delay	-	-
6	Interest accrued and remaining unpaid	-	-
7	Amount of further interest remaining due and payable in succeeding year	-	-

30 a) Income tax expense

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Current tax	-	373,063
Deferred tax	-	-
Total tax expense	-	373,063

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b) Reconciliation of effective tax rate

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

(Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Profit before tax (A)	5,095,129	(4,433,260)
Enacted tax rate in India (B)	25.75%	30.90%
Expected income tax expense at statutory tax rate (A*B)	1,311,996	-
Adjustments on account of disallowances	(1,311,996)	373,063
Tax expense reported	-	373,063

31 Leases

The Group has leased facilities under cancellable operating lease arrangements with a lease term ranging from one to three years, which are subject to renewal at mutual consent thereafter. The cancellable arrangements can be terminated by either party after giving due notice. The lease rent expenses recognised during the year amounts to ₹ 11,05,200 (Previous year: ₹ 12,61,120).

32 Segment Information as required by Ind AS - 108 'Operating Segments'

The Company is in the business of trading of securities/shares and merchant banking services having similar economic characteristics, operated in India and regularly reviewed by the Chief Operating Decision Maker for assessment of Company's performance and resource allocation.

S. N.	Particulars	For the year ended March 31, 2018			
		Investment in shares & securities	Trading in shares/ securities/ derivatives	Merchant Banking Services	Total
(i)	Revenue				
	External Revenue	-	246,756,706	3,865,512	250,622,218
(ii)	Earnings before other income, finance cost and tax	-	5,507,672	3,865,512	9,373,184
	Unallocable Corporate expenses	-	-	-	(10,642,592)
	Finance costs	-	-	-	(338,195)
	Other income	-	-	-	6,702,732
	Profit before tax				5,095,130
(iii)	Segment assets	54,281,819	42,638,458	-	96,920,278
	Unallocable assets				82,346,301
	Total assets	54,281,819	42,638,458	-	179,266,578
(iv)	Segment Liabilities	-	2,357,604	-	2,357,604
	Unallocated liabilities				1,550,505
	Total liabilities				3,908,109

* Income accruing on investment in shares & securities is classified under 'Other Comprehensive Income' in Statement of Profit and Loss

S.N.	Particulars	For the year ended March 31, 2017			
		Investment in shares & securities	Trading in shares/ securities/ derivatives	Merchant Banking Services	Total
(i)	Revenue				
	External Revenue	-	43,285,117	3,487,032	46,772,149
(ii)	Earnings before other income, finance cost and tax	-	2,107,209	3,487,032	5,594,242
	Unallocable Corporate expenses	-	-	-	(25,339,033)
	Finance costs	-	-	-	(212,887)
	Other income				15,524,419
	Profit before tax				(4,433,259)
(iii)	Segment assets	92,402,554	50,325,065	-	142,727,619
	Unallocable assets	-	-	-	48,397,922
	Total assets	92,402,554	50,325,065	-	191,125,541
	Segment Liabilities	-	1,884,437	-	1,884,437
	Unallocated liabilities				3,815,058
	Total liabilities				5,699,495

* Income accruing on investment in shares & securities is classified under 'Other Comprehensive Income' in Statement of Profit and Loss.

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33 Disclosures of related parties as required by Ind AS-24 “Related Party Disclosures”

(a) List of related parties

Nature of relationship	Name of the related party
Key Managerial Personnel	Vijay Mehta , Managing Director
	Anup Kumar Verma , Chief Financial Officer
	Natasha Goel, Company Secretary (w.e.f. 1st August 2017 to 30th January 2018)
	Pinky Jha, Company Secretary (resigned w.e.f 30th April 2016)
	Nipa Verma, Company Secretary (w.e.f. 20th June 2016 to 15th October 2016)
Relatives of Key Managerial Personnel	Priyanka Mehta
Enterprise over which key management personnel exercise significant influence	Mefcom Infrastructure Projects Limited
	IKMA Infoway Pvt. Ltd.

(b) The following transactions were carried out with related parties: - (Amount in ₹)

Particulars	Subsidiary Company	Key Managerial Personnel	Enterprises Over Which KMP and their relative exercise significant influence	Relatives Of Key Managerial Personnel	Total
Rent paid					
Mr. Vijay Mehta	-	1,293,672	-	-	1,293,672
	-	(1,120,120)	-	-	(1,120,120)
Security deposit given back					
Vijay Mehta	-	-	-	-	-
	-	(1,750,000)	-	-	(1,750,000)
Unsecured Loan given received back					
Mefcom Infrastructure Projects Limited	-	-	15,000	-	15,000
	-	-	-	-	-
Remuneration paid					
Priyanka Mehta	-	-	-	200,000	200,000
	-	-	-	-	-
Anup Kumar Verma	-	385,293	-	-	385,293
	-	(415,063)	-	-	(415,063)
Pinky Jha	-	-	-	-	-
	-	(28,000)	-	-	(28,000)
Nipa Verma	-	-	-	-	-
	-	(156,340)	-	-	(156,340)
Natasha Goel	-	200,838	-	-	200,838
	-	-	-	-	-

* Amount in the bracket represents previous year figures

(b) The following balances are due to/ from related parties: - (Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Remuneration payable			
Priyanka Mehta	100,000	-	-
Security Deposit			
Mr. Vijay Mehta	-	-	1,750,000
Loan & advances			
IKMA Infoway Pvt. Ltd.	-	-	3,000,000

34 Financial risk management objectives**Financial risk factors**

The Group's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Group's primary focus is to foresee the unpredictability of capital markets and seek to minimize potential adverse effects on its financial performance. The risk management policies are established to ensure timely identification and evaluation of risks, setting acceptable risk thresholds, identifying and mapping controls against these risks, monitor the risks and their limits, improve risk awareness and transparency.

I. Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed in the ordinary course of its business to risks related to equity price fluctuations and interest rates.

(a) Equity price risk

Equity Price Risk is related to the change in market reference price of the investments in equity securities. The fair value of some of the Company's investments measured at fair value through other comprehensive income exposes the Company to equity price risks. These investments are subject to changes in the market price of securities.

The following table details the sensitivity to a 5% movement in the fair value of such quoted equity instruments as at the end of the reporting period(s): -

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Effect of Increase in fair value of equity instruments	2,712,088	4,233,531	2,446,625
Effect of Decrease in fair value of equity instruments	(2,712,088)	(4,233,531)	(2,446,625)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The inter- corporate deposits and advances given are primarily fixed rate bearing loans and advances. Therefore, the Group is not significantly exposed to interest rate risk.

II. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration risks.

Trade receivables

Customer credit risk is managed centrally by the Group and subject to established policy, procedures and control relating to customer credit risk management. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Neither impaired nor due	-	-	-
Upto 12 months	1,656,253	2,999,999	10,264,264
More than 12 months	3,274,958	3,274,958	3,274,958
Total	4,931,211	6,274,957	13,539,223

Other financial assets

Credit risks from balances with banks and financial institutions and other miscellaneous financial assets are managed in accordance with the Group policy.

III. Liquidity risk

Liquidity risk refers to the risk that the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Group generates sufficient cash flow for operations, which together with the available cash and cash equivalents and short term investments provide liquidity in the short-term and long-term.

Maturity profile of financial liabilities:

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date.

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables			
Upto 12 months	388,580	1,825,623	753,608
More than 12 months	-	-	-
Total	388,580	1,825,623	753,608

35 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any. The Group reviews its capital structure on regular intervals and is not exposed to any external debt. As part of this review, the Management considers the cost of capital and the risks associated with the movement in the working capital.

36 Fair value of financial assets and financial liabilities

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques: -

The following is the basis of categorising the financial instruments measured at fair value into Level 1 to Level 3:

Level 1- Quoted prices in an active market

This level of hierarchy includes financial assets that are measured by reference to quoted prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques with observable inputs

This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e; as prices) or indirectly (i.e; derived from prices).

Level 3- Valuation techniques with significant unobservable inputs

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

a) Financial assets

(Amount in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Designated at FVTOCI						
(i) Long term investments	54,241,769	54,241,769	84,670,625	84,670,625	48,932,500	48,932,500
Total	54,241,769	54,241,769	84,670,625	84,670,625	48,932,500	48,932,500
Designated at amortised cost						
(i) Long term investments	40,400	40,050	7,732,279	7,731,929	4,927,152	4,926,802
(i) Trade receivables	4,931,211	4,931,211	6,274,957	6,274,957	13,539,223	13,539,223
(ii) Cash and bank balances	12,487,352	12,487,352	6,976,926	6,976,926	7,084,459	7,084,459
(iii) Loans	45,000,000	45,000,000	25,000,000	25,000,000	23,000,000	23,000,000
(iv) Other financial assets	12,315,714	12,315,714	11,287,194	11,287,194	14,304,263	14,304,263
Total	74,774,678	74,774,328	57,271,355	57,271,005	62,855,097	62,854,747
Total financial assets	129,016,447	129,016,097	141,941,980	141,941,630	111,787,597	111,787,247

b) Financial liabilities

(Amount in ₹)

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Designated at amortised cost						
Borrowings	-	-	750,000	750,000	250,000	250,000
Trade payables	388,580	388,580	1,825,623	1,825,623	753,608	753,608
Other financial liabilities	273,566	273,566	273,566	273,566	614,667	614,667
Total financial liabilities	662,146	662,146	2,849,189	2,849,189	1,618,275	1,618,275

* FVTPL - Fair Value Through Profit and Loss and FVTOCI - Fair Value Through Other Comprehensive Income

37 (a) First time Ind AS adoption

The Company has prepared the opening balance sheet as per Ind AS as at April 1, 2016 (the transition date) by recognizing all assets and liabilities whose recognition is required by Ind AS, by reclassifying items from previous GAAP to Ind AS as required by Ind AS, and applying Ind AS in measurement of recognized assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

(i) Deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets as of April 1, 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

(ii) Deemed cost for investments in subsidiaries, associates and joint ventures

The Company has elected to continue with the carrying value of all of its investments in subsidiaries, joint ventures and associates recognised as of April 1, 2016 (transition date) measured as per the previous GAAP as its deemed cost as at the date of transition.

(iii) Designation of previously recognised financial instruments

The Company has designated financial liabilities and financial assets at fair value through profit or loss and investments in equity instruments at fair value through other comprehensive income on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

a) Reconciliation of Equity as previously reported under IGAAP to Ind-AS

(Amount in ₹)

Particulars	As at March 31, 2017			As at April 1, 2016		
	As per IGAAP	Adjustments	As per Ind AS	As per IGAAP	Adjustments	As per Ind AS
ASSETS						
Non-current assets						
(a) Property, plant and equipment	1,044,938	-	1,044,938	1,128,108	-	1,128,108
(b) Goodwill	2,292,324	-	2,292,324	2,292,324	-	2,292,324
(c) Intangible assets	5,456	-	5,456	210,000	-	210,000
(d) Financial assets						
(i) Investments	26,181,930	66,220,624	92,402,554	30,020,802	23,838,500	53,859,302
(e) Non-current tax assets (net)	3,598,282	-	3,598,282	3,785,084	-	3,785,084
(f) Other non-current assets	-	-	-	3,000,000	-	3,000,000
Total non-current assets	33,122,930	66,220,624	99,343,554	40,436,318	23,838,500	64,274,818
Current assets						
(a) Inventories	30,758,393	5,866,715	36,625,108	11,280,598	9,262,555	20,543,153
(b) Financial assets						
(i) Trade receivables	6,274,957	-	6,274,957	13,539,223	-	13,539,223
(ii) Cash and Bank Balances						
(1) Cash & Cash Equivalents	3,387,594	-	3,387,594	3,495,127	-	3,495,127
(2) Bank Balances other than (1) above	3,589,332	-	3,589,332	3,589,332	-	3,589,332
(iii) Loans	25,000,000	-	25,000,000	23,000,000	-	23,000,000
(iv) Other financial assets	11,287,194	-	11,287,194	14,304,263	-	14,304,263
(c) Other current assets	5,617,802	-	5,617,802	4,201,682	-	4,201,682
Total current assets	85,915,272	5,866,715	91,781,987	73,410,224	9,262,555	82,672,780
TOTAL ASSETS	119,038,202	72,087,339	191,125,541	113,846,543	33,101,055	146,947,598
EQUITY AND LIABILITIES						
Equity						
Equity share capital	91,401,680	-	91,401,680	91,401,680	-	91,401,680
Other equity	1,647,580	72,087,339	73,734,919	1,591,337	33,101,055	34,692,392
Total equity	93,049,260	72,087,339	165,136,599	92,993,017	33,101,055	126,094,072
Non-controlling interests	20,289,447	-	20,289,447	15,088,534	-	15,088,534
Non current liabilities						
(a) Provisions	221,985	-	221,985	1,020,007	-	1,020,007
Total non-current liabilities	221,985	-	221,985	1,020,007	-	1,020,007
Current liabilities						
(a) Financial liabilities						
(i) Borrowings	750,000	-	750,000	250,000	-	250,000
(ii) Trade payables	1,825,623	-	1,825,623	753,608	-	753,608
(iii) Other financial liabilities	273,566	-	273,566	614,667	-	614,667
(b) Other current liabilities	2,628,321	-	2,628,321	3,126,710	-	3,126,710
Total current liabilities	5,477,510	-	5,477,510	4,744,985	-	4,744,985
TOTAL EQUITY AND LIABILITIES	119,038,202	72,087,339	191,125,541	113,846,543	33,101,055	146,947,598

b) Reconciliation of total comprehensive income for the year ended March 31, 2017

(Amount in ₹)

Particulars		As per previous GAAP	Effects of transition to Ind AS	As per Ind AS
I.	Revenue from operations	46,772,149	-	46,772,149
II.	Other income	19,393,319	(3,868,900)	15,524,419
III.	Total Income (I+II)	66,165,468	(3,868,900)	62,296,568
IV.	Expenses :			
	Purchase of shares/ securities (stock-in-trade)	56,170,553	-	56,170,553
	Change in inventory of shares / securities (stock-in-trade)	(19,477,795)	3,395,840	(16,081,955)
	Employee benefit expense	3,583,496	-	3,583,496
	Finance cost	212,887	-	212,887
	Depreciation and amortisation expense	209,751	-	209,751
	Other expenses	22,635,096	-	22,635,096
	Total expenses (IV)	63,333,988	3,395,840	66,729,828
V.	Profit before and tax (III-IV)	2,831,481	(7,264,740)	(4,433,260)
VI.	Tax Expense:			
	Current tax	373,063	-	373,063
	Deferred tax	-	-	-
	Total tax expense (VI)	373,063	-	373,063
VII.	Profit for the year (V-VI)	2,458,418	(7,264,740)	(4,806,323)
VIII.	Share of profit from an associate	2,805,127	-	2,805,127
IX.	Total Profit/Loss for the year	5,263,544	-	(2,001,196)
X.	Other Comprehensive Income			
(A)	Items that will not be reclassified to profit or loss	-	46,251,024	46,251,024
(B)	Items that will be reclassified to profit or loss	-	-	-
	Total Other comprehensive income (X)	-	46,251,024	46,251,024
XI.	Total Comprehensive Income for the year (IX+X)	2,458,418	38,986,284	44,249,828

c) Notes to the reconciliation of equity as at April 1, 2016 and March 31, 2017 and Total Comprehensive Income for the year ended March 31, 2017:-

(i) Investments

Under Previous GAAP, investments were classified into current and long term investments. Current investments were carried at the lower of cost or market value, while long term investments were carried at cost less any impairment that was other than temporary.

Under Ind AS, equity instruments have been classified as Fair Value through Other Comprehensive Income (FVTOCI). Fair value movements are recognized directly in other comprehensive income on such investments.

(ii) Stock-in-trade

Under Previous GAAP, stock-in-trade were valued at cost or net realisable value whichever is lower. However, Under Ind AS, securities or shares held as stock-in-trade are measured at fair value and any gain /(loss) arising on subsequent recognition at the balance sheet date is recognised in Statement of Profit and Loss.

38 Disclosure of additional information pertaining to the Parent Company, Subsidiaries and Associate as per Schedule III of Companies Act, 2013: -

Name of the entity in the group	Net assets i.e. total assets minus total liabilities		Share in Profit/(loss)		Share in Other Comprehensive Income	
	As % of consolidated net assets	Amount in ₹	As % of consolidated profit / (loss)	Amount in ₹	As % of consolidated OCI	Amount in ₹
Parent						
Mefcom Capital Markets Limited	101.03%	158,026,509	123.44%	6,289,245	81.74%	(12,394,581)
Subsidiaries (Indian)						
Mefcom Securities Limited	30.25%	47,319,079	-14.06%	(716,445)	10.95%	(1,660,820)
Non-controlling interest						
- in subsidiaries	-12.11%	(18,947,098)	-9.38%	(477,670)	7.30%	(1,107,305)
Consolidation Adjustment	-19.17%	(29,987,119)	-	-	-	-
Total	100.00%	156,411,371	100.00%	5,095,129	100.00%	(15,162,706)

MEFCOM CAPITAL MARKETS LIMITED

39 Expenditure towards Corporate Social Responsibility (CSR)

In accordance with the provisions of Section 135 of the Companies Act, 2013 read with rules issued thereunder, the Group is not mandatorily required to incur expenditure towards the specified CSR activities.

40 Previous year Comparatives

Previous year's figures have been re-arranged and regrouped wherever considered necessary.

As per our report of even date

For Doogar & Associates
Chartered Accountants
Firm's registration No. 000561N

Vardhman Doogar
Partner
M. No 517347

Place : New Delhi
Dated: May 28, 2018

For and on behalf of the Board of Directors

Vijay Mehta
Managing Director
DIN : 00057151

Shailendra Haruray
Director
DIN : 00075083

Anup Kumar Verma
Chief Financial Officer

Annual General Meeting
MEFCOM CAPITAL MARKETS LIMITED

Regd. Office : 5th Floor, Sanchi Building, 77, Nehru Place, New Delhi-110019

PROXY FORM

L.F.No. _____

No. of share held. _____

DP. ID _____

Client ID. * _____

I/We ;

	Name(s) in full	Father's/ Husband's	Name & Address as Regd. with the Company.
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

being a member/ members of Mefcom Capital Markets Limited appoint _____ of falling him/her of _____ as my/ our proxy to vote for me/us and on my/our behalf of the Annual General Meeting of the Company to be held on Friday, the 28th day of September, 2018, at 4:30 P.M. at E-15, Ansal Villas, Satbari, New Delhi - 110030 and at any adjournment thereof.

Signature of Proxy

Affix One
Rupee
Revenue
Stamp

Signature of shareholder

Note : This proxy Form, in order to be effective, should be duly stamped, completed and signed and must be deposited at the registered office of the Company, not less than 48 hours before the meeting.

Annual General Meeting

MEFCOM CAPITAL MARKETS LIMITED

Regd. Office : 5th Floor, Sanchi Building, 77, Nehru Place, New Delhi-110019

ATTENDANCE SLIP

Regd. Folio No. _____

DP. ID & Client Id. _____

Please complete this attendance slip and hand it over at the entrance of the meeting hall.

	Name(s) in full	Father's/ Husband's	Name & Address as Regd. with the Company.
1.	_____	_____	_____
2.	_____	_____	_____
3.	_____	_____	_____

I/We certify that I/we am/are member/Proxy for the Member of Mefcom Capital Market Limited. I/We hereby record my/our presence at the Annual General Meeting of the Company on Friday, the 28th day of September, 2018, at 4:30 P.M. at E-15, Ansal Villas, Satbari, New Delhi - 110030

Signature of the shareholder/proxy**

1. _____ 2. _____ 3. _____

* Applicable for investors holding shares in electronic form.

** Strike out whichever is not applicable

No GIFT & SNACKS will be distributed at the Annual General Meeting

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(Printed Matter)

if undelivered, please return to:

Mefcom Capital Markets Ltd.

5th Floor, Sanchi Building,
77, Nehru Place,
New Delhi - 110019
Ph. : +91-11-4650 0500
Fax : +91-11-4650 0550
E-mail : invest@mefcom.in
Website : www.mefcom.in