

24TH ANNUAL REPORT 2016-17

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

CIN: L74899DL1993PLC053936

Regd Office:

**13-B, II Floor, Netaji Subhash Marg, Central Bank Building,
Daryaganj, Delhi-110002**

Email: fmecinternational@gmail.com

Website: www.fmecinternational.com

Tel: 011-43680407

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CHAIRMAN'S MESSAGE

You all will be delighted to know that the company has successfully completed nineteen years in serving the nation's need of money. What we call financial assistance is their dream. India, the largest growing economy has come onto its urge of being the Developed Nation; we can proudly say that we were a part of its journey which our country has gone through since its Independence.

Change in Political environment, slag in china, economical ebb and flows and market saturation, the business of **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED** suffered but at the end of the year, we somehow manage to attain its break even. There is anticipation of volatility in capital market which worsens the issue of NPA in banking sector. We made strategies to dilute its effects and goals for a better future.

We are hopeful for better returns in coming years and we would like to thank our customers, employees, management and our investors to retain their trust in the company as they did in the previous years, we will definitely make them proud on their decision.

Bimal Aggarwal

Managing Director

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

Corporate Information

BOARD OF DIRECTORS

MR. BIMAL AGGARWAL
(Managing Director)

MRS. RACHNA AGGARWAL
(Director)

MR. RAMESH KUMAR
(Independent Director)

MR. ROHIT AGRAWAL
(Independent Director)

STATUTORY AUDITOR
SANJAY K SINGHAL & CO
(Chartered Accountants)
Office NO 304 Gali No.1
13 Veer Savakar Block
Shakarpur Delhi-110092

CHIEF FINANCIAL OFFICER
MANOJ KUMAR THAKUR

REGISTERED OFFICE:

IIInd Floor Central Bank Building
13B Netaji Subhash Marg Daryaganj
New Delhi-110002

REGISTRAR AND TRANSFER AGENT

SKY LINE FINANCIAL SERVICES PRIVATE LTD
Shop No.D-153/A, I-Area, Okhla Phase I, Okhla
Industrial Area, New Delhi, Delhi 110020

SECRETARIAL AUDITOR

A.K. VERMA & CO
(Practicing Company Secretaries)
13B Netaji Subhash Marg IIInd Floor
Above Central Bank
Daryaganj New Delhi-110002

COMPANY SECRETARY

RICHA AGARWAL

CONTACT

Website: www.fmecinternational.com
Email: fmecinternational@gmail.com
Tel: 011-43680407

FINANCIAL HIGHLIGHTS

Operating Revenue	→ 2016-17	→ 5060680
	→ 2015-16	→ 2554180
Net Profit	→ 2016-17	→ 256784
	→ 2015-16	→ 56928
Capital Employed	→ 2016-17	→ 31567003
	→ 2015-16	→ 32210218
Earnings per Share	→ 2016-17	→ 0.0828
	→ 2015-16	→ 0.0184

Trend of Net Owned Fund for the purpose of Reserve Bank of India



MESSAGE

Date: 11/08/2017

Dear Members/Directors/Auditor

You are cordially invited to attend the **24th Annual General Meeting (the 'AGM')** of the members of **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED** to be held on **Sunday, 24th September, 2017 at 11:30 A.M** at **J.P Hotel & Resorts, 6B Patparganj IP Extentions, NH-24 Behind CNG Petrol Pump, New Delhi-110092.**

The Notice of the meeting, containing the business to be transacted, is enclosed.

Thanking You,

For and on behalf of the Board

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

Bimal Aggarwal

Chairman/Managing Director

Din: 00361883

R/o 3700 Sector 23 Gurgaon-122017

Enclosures:

1. Notice of the AGM
2. Attendance slip
3. Proxy form (MGT-11)
4. Route Map

NOTICE

NOTICE is hereby given that the **24th** Annual General Meeting of the members of **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED** will be held on Sunday, 24th day of September, 2017 at J.P Hotel & Resorts 6B Patparganj IP Extentsion, NH-24 behind CNG Petrol Pump New Delhi-110092 at 11:30 A.M. to consider and transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:

(a) To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the Audited Balance Sheet & Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended March 31, 2017 along with the Auditor’s Report and the Directors’ Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted.”

(b) To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT the Audited Consolidated Balance Sheet & Statement of Profit and Loss Account and Cash Flow Statement for the financial year ended March 31, 2017 along with the Auditor’s Report as circulated to the shareholders and laid before the meeting, be received, considered and adopted.”

2. To appoint a Director in place of **Mr. Bimal Aggarwal (DIN: 00361883)** who retires by rotation and being eligible placed for re-appointment:

“RESOLVED THAT pursuant the provisions of Section 152 of the Companies Act, 2013 **Mr. Bimal Aggarwal (DIN: 00361883)**, who retires by rotation, and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

3. **To ratify appointment and terms of appointment of M/s. Sanjay K Singhal & Co., Chartered Accountants, as Statutory Auditors for the Financial Year 2017-18.**

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 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013, M/s. Sanjay K Singhal & Co, Chartered Accountants, be and are hereby ratified as the Statutory Auditors of the Company for the Financial Year 2017-2018, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company to be held in 2018, and that the Board of Directors of the Company be and are hereby authorised to fix their remuneration.”

SPECIAL BUSINESS:

4. **Re-appointment of Secretarial Auditor**

To re-appoint M/s A. K. Verma & Co., Company Secretaries, New Delhi as Secretarial Auditor of the Company and in this regard 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 Section 204 of the Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions of the Act and pursuant to relevant provisions of Article of Association of the Company, consent of the members be and is hereby accorded to re-appoint M/s A.K.Verma & Co., Company Secretaries, New Delhi as Secretarial Auditor for Financial Year 2017 – 2018.

RESOLVED FURTHER THAT Board of Director and Company Secretary of the Company be and are hereby severally authorized to sign, file all forms, documents, papers etc. with the Registrar of Companies, NCT of Delhi & Haryana, Ministry of Corporate Affairs and to do all such acts deeds, and things which may be necessary in this behalf.”

By the order of the Board

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

BIMAL AGGARWAL

Managing Director

DIN: 00361883

Add: 3700, Sector-23, Gurgaon Haryana-122017

Place: New Delhi

Date: 11.08.2017

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of item no. 4 of the Notice set out above is annexed herewith.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
3. Proxy form in MGT-11 duly filled up and executed must be received at the Registered Office of the company not less than 48 hours before the time fixed for the meeting. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than fifty members holding in aggregate, not more than ten percent of the total share Capital of Company may appoint a single person as Proxy, who shall not act as a Proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours (Sunday is included in computation of 48 hours) before the commencement of the Meeting. A Proxy Form is annexed to this report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable.
4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their email address either with the Company or Depository Participant(s). Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request.
5. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose email address are registered with the Company or the Depository Participant(s), unless the Members have registered their request for the hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their email address with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip at the Registration Counter at the AGM.
6. The relevant details of directors seeking appointment/ re-appointment are annexed.
7. The Register of Members and Share Transfer Books shall remain closed from **18th September, 2017 to 24th September, 2017 (both days inclusive)**.
8. Members desiring any further information on the business to be transacted at the meeting should write to the company at least 15 days before the date of the meeting so as to enable the management to keep the information, as far as possible, ready at the meeting.
9. Members are requested to notify the company about the change of address, if any, to the Registered Office of the Company.

10. Members are requested to bring their attendance slip and copy of the Annual Report with them at the Annual General Meeting.
11. All correspondence relating to shares may be addressed to the registered office of the company.
12. The business set out in the Notice can be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No 16.
13. Members desiring any information/clarification on the Accounts are requested to write to the Company in advance at least seven (7) days before the meeting so as to keep the information ready at the time of Annual General Meeting.
14. As per provisions of the Companies Act, 2013 facility for making nominations is available to the shareholders in respect of the shares held by them. Nomination forms can be obtained from the Registered Office of the Company.
15. A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting is annexed hereto.

16. Voting Through Electronic Means

- a) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended and regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting as stated in the Notice by electronic means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-voting').
- b) The facility for voting through electronic voting system ('Insta Poll') shall be made available at the Meeting and the members attending the Meeting who have not cast their vote by remote e-voting shall be able to vote at the Meeting through 'Insta Poll'.
- c) The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- d) The Company shall also provide facility for voting through polling paper which shall be available at the meeting and members attending the meeting who have not already casted their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
- e) The Company is providing facility for voting by electronic means to its members to enable them to cast their votes through such voting. The Company has engaged the services of Central Depository Service Limited ("CDSL") as the Authorised Agency to provide remote e-voting facility (i.e. the facility of casting votes by a member by using an electronic voting system from a place other than the venue of a general meeting).
- f) The Board of Directors of the Company has appointed Mr. Ashok Kumar Verma, a Practicing Company Secretary, New Delhi as Scrutinizer to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
- g) Remote e-voting facility will be available during the following period:

Commencement of remote e-voting	9.00 A.M. 21st September, 2017
End of remote e-voting	5.00 P.M. 23rd September, 2017

Please note that remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled upon expiry of aforesaid period.

- h) The cut-off date for the purpose of voting (including remote e-voting) is 17th September, 2017.
- i) The Scrutinizer, after scrutinizing the votes cast at the meeting (Insta Poll) and through remote e-voting, will, not later than three days of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.fmecinternational.com. The results shall simultaneously be communicated to the Stock Exchanges.

Information and other instructions relating to e-voting are as under:

- (i) The voting period begins on 21st September 2017 from 09:00 A.M and ends on 23rd September, 2017 till 05:00 P.M. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 17th September 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com
- (xxi) The Results shall be declared within three days from the date of AGM of the Company i.e. 27th September, 2017. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.fmecinternational.com and on the website of CDSL and communicated to the Bombay Stock Exchange.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4:**

As per the provisions of Section 204 of the Companies Act 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company being a Listed Company shall be subject to Secretarial Audit from Practicing Company Secretary.

The Board hereby recommends re-appointing M/s A.K. Verma & Co., Company Secretaries, having experience of more than 20 years of Corporate Services in field of Corporate Laws as Secretarial Auditor of Company for the Financial Year 2017- 18.

None of the other Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions.

The copies of the following documents are open for inspection at the registered office of the Company between 11.00 am and 1.00 pm on any working day except Saturdays and Sundays and company holidays:

1. Notice of the AGM with Explanatory
2. Memorandum and Articles of Association of the Company
3. Balance Sheet as on 31st March, 2017 along with Profit & Loss Account and Auditors' Report thereon of the Company.

The board of directors of company recommends passing of the resolution as Ordinary Resolution.

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

Registered office: IInd Floor, Central Bank Building 13-B,

Netaji Subhash Marg, Daryaganj Delhi-110002

CIN:L74899DL1993PLC053936

ADMISSION SLIP

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company/Depositories.

DP ID.....

Client ID.....

Regd. Folio No.*

No. of Shares.....

Name(s) in Full

Father's/Husband's Name

Address as Regd. with the Company

1.

2.

3.

I/WE HEREBY RECORD MY/OUR PRESENCE AT THE 24th ANNUAL GENERAL MEETING OF THE COMPANY BEING HELD ON SUNDAY, 24th DAY OF SEPTEMBER, 2017 AT 11.30 A.M. AT J.P HOTEL & RESORTS 6B PATPARGANJ IP EXTENSION, NH-24 BEHIND CNG PETROL PUMP NEW DELHI-110092

Member

Proxy

_____ Member's/Proxy's Signature**

* Applicable for investors holding shares in physical form.

** Please strike out whichever is not Applicable

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L74899DL1993PLC053936

Name of the company: F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

Registered office: IInd Floor, Central Bank Building 13-B, Netaji Subhash Marg, Daryaganj Delhi-110002

Name of the member (s) : Registered address : E-mail Id: Folio No/ Client Id : DP ID :
--

I/We, being the member (s) of shares of the above named company, hereby appoint

- Name:
 Address:
 E-mail Id: Signature :.....,or failing him
- Name:
 Address:
 E-mail Id: Signature:.....,or failing him
- Name:
 Address:
 E-mail Id: Signature:.....,or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual general meeting of the company, to be held on the Sunday 24th day of September, 2017 At 11:00 A.M. at J.P Hotel & Resorts 6B Patparganj IP Extenssion NH-24 Behind CNG Petrol Pump New Delhi-110092 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolutions	For(Approved)	Against(Rejected)
1. To consider the Audited Financial Statements/ Consolidated Financial Statements for the year/period ended 31st March, 2017.		
2. Re-appointment of the Mr. Bimal Aggarwal, Director, retiring by rotation.		
3. To ratify the appointment of M/s. Sanjay K Singhal & Co., Chartered Accountants, as Statutory Auditors for the Financial Year 2017-18.		
4. Re-appointment of Secretarial Auditor for the Financial Year 2017-2018.		

Signed this.....day of September, 2017

Signature of shareholder..... Signature of Proxy holder(s).....

Note:

- This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



DIRECTORS' REPORT

To

The member(s),

Your directors have pleasure in presenting the 24th Annual Report together with the audited statement of accounts for the year ending 31st March, 2017.

1. BACKGROUND

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED is a BSE Listed company (Code: 539552) having registered office at IInd Floor, Central Bank Building 13-B, Netaji Subhash Marg Daryaganj, New Delhi- 110002 working as a Non Banking Finance Company after registration with Reserve Bank of India vide certificate of registration no. 14.01129

2. FINANCIAL RESULTS

Due to changing financial market in the country and subsequent change in the policies of Reserve Bank of India, related to Cash Reserve Ratio, Repo Rate, Reverse Repo Rate, the business of the company affected badly and hinders the management to attain its pre-determined objectives. Profit for the year is **Rs. 256,784** which is carried forward to the next year along with brought forward profit of **Rs. 56,928.00**. The financial results of the company for the year ended 31st March, 2017 are as follows:-

Amount in ₹		
Particulars	2016-2017	2015-2016
Gross Income	50,61,387	25,79,380
Profit before Interest and Depreciation	3,68,034	84,771
Finance Charges	898	335
Gross Profit	3,67,136	84,436
Provision for Depreciation	-	-
Net Profit Before Tax	367136	84,436
Less: Current Tax	(110,352)	(27,507)
Net Profit After Tax	256,784	56,928
Proposed Dividend on Equity Shares	-	-
Tax on proposed Dividend	-	-
Earning per Equity Share (EPS)	0.0828	0.0184

CONSOLIDATED REVENUE

After adjusting the Revenue/ losses of the Subsidiary Company, the company has attained the Net profit of Rs. 210,609 during the year. The detailed consolidated financials are as follows:-

Particulars	2016-2017	2015-2016
Gross Income	50 61,387	25,79,380
Profit before Tax	3,20,961	52,923
Tax Expenses	1,10,352	27,507
Profit after Tax	2,10,609	25,416

The Consolidated financial statement have been prepared by the company in accordance with the Companies Act, 2013 ("the Act") and Accounting Standard (AS)-21 on Consolidated Financial Statements and other applicable accounting standards. The audited consolidated financial statements together with Auditor's Report form part of this Annual Report.

SHARE CAPITAL

The Authorised Share Capital of the Company as on 31st March 2017 was Rs. 3,50,00,000 (Rupees Three Crore Fifty Lacs Only) and Paid-up Equity Share Capital of the Company as on March 31st, 2017, was Rs. 3,10,07,000 (Rupees Three Crore Ten Lacs and Seven Thousand Only). There was no change in the Authorised or the Paid-up Capital/Subscribed Capital during the Financial Year 2016-17.

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 during the year under review.

c. Bonus Shares

No Bonus Shares were issued during the year under review.

d. Employees Stock Option Plan

The Company has not provided any Stock Option Scheme to the employees.

e. Shares With Differential Rights

The Company has not issue any Equity shares with Differential Rights.

RESERVES AND SURPLUS

As per Section 45- IC of the Reserve Bank of India Act, 1934 every Non Banking Financial Company shall create a Reserve Fund and transfer therein a sum not less than 20% of its Net Profit every year before declaring any dividend.

The Company is in practice of transferring a sum of 20% to the Reserve fund specifically made for the purpose named '**Special Reserve as per RBI Act**' from the Profit earned by the Company during the year.

Also, the company has pursuant to Notification of Reserve Bank of India dated January 17, 2011 vide Notification no. DNBS.PD.CC.No.207/03.02.002/2010-11 for making the '**Provision of 0.25% for Standard Assets of NBFCs**' has transferred a sum of 0.25% on the Standard Assets of the Company under the Reserve named "**Provision for Bad and Doubtful Debts**".

Further the company is complying with all the Reserve Bank of India guidelines as issued from time to time related to provisioning and reserves.

DIVIDENDS

Considering the present conditions of business and growth stage of Company, the Board of Directors of the company has decided not to recommend any dividend for the Financial Year 2016-17. The management being optimistic about the return from business activities has proposed to plough back divisible profit into the main activities of the Company.

DEPOSITS

Every Non Banking Finance Company registered with the Reserve Bank of India has to comply with all the terms and conditions as stipulated by the Certificate of Registration with RBI.

F Mec International Financial Services Limited has been registered as a Non Banking Finance Company- Not accepting deposits. Hence, pursuant to Section 45- IA of the Reserve Bank of India, the Company cannot accept deposits from public, in compliance of which the company has not accepted any deposit during the year. Further, the Directors of the company assured to carry on the practice of not

accepting the same in order to comply with RBI norms and guidelines in the coming year and the same has been proposed and passed in the meeting of Board of Directors dated 25th May, 2017.

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 THE REPORT

No such material change and/or commitment affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report.

DIRECTORS AND KEY MANAGERIAL PERSONNELS

Pursuant to provisions of The Companies Act, 2013 Mr. Bimal Aggarwal, Director of the company shall retire by rotation at the ensuing Annual General Meeting and being eligible has offered himself for re-appointment. The Board recommends his re-appointment.

Mrs. Rachna Agarwal has been appointed as Non Executive Director of the Company in the place of being the executive Director in the Annual General Meeting of the Company held in the year 2016.

DECLARATION BY INDEPENDENT DIRECTORS

The company has received declarations from all Independent Directors of the Company confirming that they continue to meet the criteria of Independence, as prescribed under Section 149 of the Companies Act, 2013 and regulation 25 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Independent Directors have also confirmed that they have complied with the Company's Code of Conduct.

BOARD DIVERSITY, THEIR APPOINTMENT AND REMUNERATION

The Company's Board of Directors constitute of four directors comprising of One Executive Director, One Non Executive and Two Independent Directors. Appointment of Independent Directors of the Company shall be governed by the code of Independent director and Appointment of Non Independent Directors of the Company shall be governed by the Policy of Nomination and Remuneration of the Company. The detailed policy on appointment of Directors is available on the Company's website at www.fmecinternational.com.

DISCLOSURES ON REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY

In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Director(s) of the Company has not drawn remuneration during the year under review and no employee(s) of the Company has drawn remuneration in excess of the limits set out in the said rules.

ANNUAL BOARD EVALUATION AND FAMILIARISATION PROGRAMME FOR BOARD MEMBERS

A note on familiarization program adopted by the Company for orientation and training of its Directors and Board Evaluation Process undertaken in compliance with the provisions of the Companies Act, 2013 and the same forms part of the Corporate Governance, which forms part of this report.

The report generated after evaluation of the Board will be considered by the Board for the purpose of optimizing their effectiveness.

COMMITTEES OF BOARD, NUMBER OF MEETING OF BOARD AND BOARD COMMITTEES

The Board of Directors met Four (4) times during the year. The Company has Four Committee out of its Board namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Executive Committee.

A detailed update on the Board, its composition, detailed charter including terms and reference of various Board Committees, number of Board and Committee meetings held during FY 2016-17 and attendance of the Directors at each meeting is provided in the Report on Corporate Governance, which forms part of this Report.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

As on 31st March, 2017 the Company neither has any Associate Company nor any Joint Venture Company. YDS Securities Private Limited continues to be the Subsidiary of the Company.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014, Consolidated Financial statements of the Company has been annexed to the Annual Report which reflects the performance and financial position of each of the subsidiary, associate and joint venture.

The audited financial statements of its subsidiary company is available for inspection at the Company's registered office and also at registered offices of the Subsidiary company and pursuant to the provisions of Section 136 of the Companies Act, 2013, the financial statements of its subsidiary companies are also available on the Company's website www.fmecinternational.com. Copies of the annual accounts of the subsidiary company shall also be made available to the investors of F Mec International Financial Services Limited and those of the respective companies upon request.

AUDITORS AND AUDITORS' REPORT

Statutory Auditors

M/s Sanjay K Singhal & Co., Chartered Accountants, auditor of the company, has expressed his willingness and eligibility to be continued as a Statutory Auditors of the Company and offer themselves for ratification of their appointment in the 24th Annual General Meeting. They have confirmed their eligibility to the effect that their ratification of appointment would be within the prescribed limits under the Act and that they are not disqualified for appointment.

The Notes on financial statement referred to in the Auditors' Report are self explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

In order to conduct the Secretarial Audit of the Company for the financial year 2016-2017, as required under Section 204 of the Companies Act, 2013 and rules there under, Mr. A. K. Verma, Practising Company Secretary has been appointed as the Secretarial Auditor of the Company. The Secretarial Audit Report for the financial year 2016-2017 forms part of the Annual Report as **(Annexure VI)** to the Board's report. The Secretarial audit report embarks the pendency for the appointment of Internal Auditor in the company and does not contain any qualification, reservation or adverse remark except the fact that the appointment of internal auditor was pending for F.Y. 2016-17

The board has re-appointed M/s A.K. Verma & Co, Practicing Company Secretaries, as the secretarial auditor of the Company for the Financial Year 2017-2018.

CORPORATE SOCIAL RESPONSIBILITY

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34 of the SEBI (Listing Regulations and Disclosure Requirements) Regulations, 2015 in respect of Management Discussion and Analysis Report for the year under review is presented in a Separate section, forming part of the Annual Report as an **(Annexure- III)**.

CORPORATE GOVERNANCE

A detailed report on Corporate Governance pursuant to Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 forms part of the Annual Report as **(Annexure- I)**. As per the provisions of Regulation 15(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, provision of Regulation 27 is applicable to the Companies having paid up equity share capital exceeding Rs. 10 Crore and Net Worth exceeding Rs. 25 Crore, as on the last day of the previous financial year. The Company is not covered under any of the Criterion mentioned above so it is not mandatory for the Company to comply the Provisions of the Regulation 27 of the SEBI (LODR) Regulations, 2015. So the company is not required to file Corporate Governance Certificate to the Stock Exchange on Quarterly Basis.

RISK MANAGEMENT

During the year, the Board of Directors developed and implemented an appropriate risk management policy which is entrusted with the responsibility to assist the Board in Overseeing and approving the Company's enterprise wide risk management framework and overseeing all the risks that the organization faces, identifying the element of risk which, in the opinion of the Board may threaten the existence of the company and safeguarding the company against those risks.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations.

VIGIL MECHANISM

The Vigil Mechanism of the Company pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 which also incorporates a Whistle Blower Policy in term of provisions of Regulation 22(1) of the SEBI (LODR) Regulations, 2015 for the year ended March 31st, 2017 (as per their applicability) includes an Ethics & Compliance Task Force comprising senior executives of the Company. Protected disclosures can be made by a whistle blower through an e-mail or dedicated telephone line or a letter to the Task Force or to the Chairman of the Audit Committee i.e. Mr. Ramesh Kumar either personally or through e-mail at fmecinternational@gmail.com or call at 011-43680407.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Board has made a Committee of Board presiding by Mrs. Rachna Agarwal, Director of the company for the purpose of prevention of Sexual Harassment of Women at workplace. Every individual has right to treat his/her colleagues with respect and dignity. This is enshrined in values and in the code of Ethics & Conduct of the Company. The Company has in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 made various provisions to safeguard the interest of the female employees (whether permanent, contractual, temporary and trainees) under this policy. The policy governs the misconduct with respect to discrimination or sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the financial year ended March 31, 2017:

- No. of complaints received : NIL
- No. of complaints disposed off : Not Applicable

EXTRACT OF ANNUAL RETURN

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT-9 as a part of this Annual Report as **(Annexure II)**.

LOANS, GUARANTEE AND INVESTMENT

The particulars of Loans given, Investments made and Guarantee given by company under Section 186 of The Companies Act, 2013 is annexed as **(Annexure IV)**.

PARTICULARS OF RELATED PARTY TRANSACTION

There was no contract or arrangement entered into by the company in accordance with provisions of section 188 of the Companies Act, 2013. Further, all the related party transactions in terms of the Provisions of Companies Act 2013 were entered in the ordinary course of business during the financial year and were also at arm's length basis. The transactions which has been taken place during the Financial year as per Indian Accounting Standard, forms part of the Notes to the Financial Statements. There is no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated person which may have a potential conflict with the interest of Company at large.

PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, the Directors of the Company hereby states that:

- i. In the preparation of the annual accounts for the year ended 31st March 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii. 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 and Loss of the company for that period.
- iii. 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.
- iv. The Directors had prepared the annual accounts on a Going Concern Basis.
- v. The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. The Directors had devised proper system to ensure compliance with the provisions of all applicable laws and such system were adequate and operating effectively.

ACKNOWLEDGEMENT

The Board expresses their gratitude to its all stakeholder's i.e. members, customers, Government agencies and their departments, Bankers of the Company for their continued support and faith. The Director places on record their sincere appreciation to all the employees of the company for their contribution in the growth of the company.

On behalf of the Board of Directors

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

Sd/-

BIMAL AGGARWAL

(Managing Director)

DIN: 00361883

Add: 3700, Sector 23,

Gurgaon-122017

Place : New Delhi

Date : 11.08.2017

ANNEXURES TO DIRECTOR REPORT

<u>Annexure</u>	<u>Content</u>
I.	Corporate Governance Report
II.	Annual Return Extracts in MGT 9
III.	Management Discussion and Analysis Report
IV.	Loans, Investment and Guarantee
V.	Details of subsidiary in AOC-1
VI.	Secretarial Audit Report
VII.	Annual evaluation of Board

ANNEXURE I

CORPORATE GOVERNANCE REPORT

Corporate Governance is all about ethical conduct, openness, integrity and accountability of an enterprise. Healthy Corporate governance enjoins a commitment of the Company to run the business in legal, ethical and transparent manner. It is more than just a set of practices and procedures; it is the spirit of employee towards the organization to achieve its goals in an ethical way and in such a manner that can contribute to the growth of whole nation. It is one of the key elements in improving the economic efficiency of the enterprise.

Philosophy of Corporate Governance

F Mec International continues to be committed to good Corporate Governance aligned with best practices. We believe that good Corporate Governance emerges from the application of best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees & communities, transparency in decision making process, fair & ethical dealings with all and accountability to all the stakeholders. The Corporate governance practices implemented by the Company seek to protect, recognize and facilitate shareholders rights and ensure timely and accurate disclosure to them.

The Company has strengthened governance practices. These practices define the way business is conducted and value is generated. Stakeholders' interests are taken into account, before making any business decision.

Corporate Governance reporting under Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Our company is in compliance with the guidelines on Corporate Governance stipulated under various Regulation of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement with stock exchanges and in this regards, we submit a report on the matters mentioned in the said Regulations and practices followed by the company. But as per revised guidelines of Corporate Governance these guidelines are not applicable to our Company but Company has continued to comply with the guidelines of Corporate Governance to some extent.

BOARD OF DIRECTORS

The Company has optimum combination of Executive, Non-Executive Independent Directors and Woman Director. The Board consists of Four Directors out of which one is Executive Director, one is Non Executive Director and two are Non-Executive- Independent Directors. The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Companies Act, 2013. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than five Committees, across all the companies in which they are acting as a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

As per the declaration received by the company, none of the directors is disqualified under section 164(2) of the companies Act, 2013.

THE COMPOSITION OF THE BOARD OF DIRECTORS AS ON MARCH 31ST, 2017 IS AS UNDER:-

Sl. No.	Name of Director	Executive / Non Executive	No. of other Directorship
1.	Bimal Aggarwal	Executive Director	2
2.	Rachna Aggarwal	Non Executive Director	2
4.	Ramesh Kumar	Non-Executive Independent Director	0
5.	Rohit Aggarwal	Non-Executive Independent Director	0

Mr. Bimal Aggarwal has been appointed as the Managing Director of the Company and also holding the position of the Chairman of the Company. Mr. Manoj Kumar acting as a Chief Financial Officer, serving the company with his wide expertise in financial management. Ms. Richa Agarwal, the Company Secretary of the Company has also been acting as the Compliance officer of the Company and head of Legal Department.

NUMBER OF BOARD MEETINGS:

Minimum four prescheduled Board Meeting were held every year. For the purpose of some specific approval of the Board of Directors, operation vide Executive Committee of the Board has been done.

During the year ending 31st March, 2017, the Board of Directors of the company met four times on 27-05-2016, 01-09-2016, 11-11-2016 and 10-02-2017. The maximum gap between any two meetings was less than one hundred and twenty days, as stipulated under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard as issued by the Institute of Company Secretaries of India applicable to the Company.

DIRECTORS' ATTENDANCE RECORD AND THEIR OTHER DIRECTORSHIPS/ COMMITTEE MEMBERSHIP

The following is the attendance sheet of all Directors present in the meeting of the Board, its committees and Annual General Meeting held during the year ending on 31st March, 2017:

Name of the Director	Category	Attendance Particulars			No. of other Directorship and Committee Membership		
		No. of Board meeting		Last AGM held on 25.09.2017	Other Directorship	Committee Membership	Committee Chairmanship
Held	Attended						
Mr. Bimal Aggarwal	MD/ Executive	4	2	Present	2	3	1
Mrs. Rachna Agarwal	Non Executive Director	4	2	Present	2	0	0
Mr. Rohit Agrawal	Non Executive Independent Director	4	4	Present	1	3	1
Mr. Ramesh Kumar	Non Executive Independent Director	4	4	Present	0	3	1

LIMIT ON NUMBER OF DIRECTORSHIP

In compliance with the Listing Regulations, Directors of the Company do not serve as Independent Director in more than seven Listed Companies or in case he/she is serving as a Whole- Time Director in any Listed Company, does not hold such position in more than three Listed Companies.

SHAREHOLDING OF NON-EXECUTIVE DIRECTORS

Mrs. Rachna Agrawal, Non-Executive Promoter Director is holding 18,500 equity shares of Rs. 10/- each in the Company. None of the other Non Executive Director holds any shares in the Company. Further, the Company has not issued any convertible instruments hence disclosure in this respect is not applicable.

INDEPENDENT DIRECTORS

As mandated by the Listing Regulations, the Independent Directors on the Board of the Company:

- a. are persons of integrity and possess relevant expertise and experience, in the opinion of the Board of Directors;
- b. are not a Promoter of the Company or its holding, subsidiary or associate Company;
- c. are not related to Promoters or Directors in the Company, its holding, subsidiary or associate Company;
- d. apart from receiving Director's remuneration, have or had no material pecuniary relationship with the Company, its holding, subsidiary or associate Company, or their Promoters or Directors, during the two immediately preceding financial years or during the current financial year; have no relative, who has or had pecuniary relationship or transaction with the Company, its holding, subsidiary or associate Company, or their Promoters, or Directors, amounting to two per cent or more of its gross turnover or total income or Fifty Lakh rupees or such higher amount as may be prescribed from time to time, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e. neither themselves nor any of their relatives —
 - i. hold or have held the position of a Key Managerial Personnel or are or have been employee of the Company or its holding, subsidiary or associate Company in any of the three financial years immediately preceding the Financial Year in which they were proposed to be appointed;
 - ii. are or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the Financial Year in which they were proposed to be appointed, of—
 - a firm of Auditors or Company Secretaries in practice or Cost Auditors of the Company or its holding, subsidiary or associate Company; or
 - any legal or a consulting firm that has or had any transaction with the Company, its holding, subsidiary or associate Company amounting to ten per cent or more of the gross turnover of such firm;
 - hold together with their relatives two percent or more of the total voting power of the Company; or
 - is a Chief Executive or Director, by whatever name called, of any Non-Profit Organisation that receives twenty-five percent or more of its receipts or corpus from the Company, any of its Promoters, Directors or its holding, subsidiary or associate Company or that holds two percent or more of the total voting power of the Company;
 - is a material supplier, service provider or customer or a lessor or lessee of the Company;
 - is not less than 21 years of age.
 - The Independent Directors have confirmed that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations.

MAXIMUM TENURE OF INDEPENDENT DIRECTORS

In accordance with Section 149(11) of the Companies Act, 2013, the current tenure of Mr. Ramesh Kumar and Mr. Rohit Agrawal, Independent Directors of the Company is for a term of 5 consecutive years from the date of appointment in the year 2014 and in the year 2015 respectively.

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

The terms and conditions of appointment of Independent Directors have been disclosed on the website of the Company at www.fmecinternational.com.

PERFORMANCE EVALUATION OF INDEPENDENT DIRECTORS

The Board of Directors upon recommendation of Nomination and Remuneration Committee have laid down the criteria for performance evaluation of Board of the Company, its Committees and the individual Board Members, including Independent Directors. The performance evaluation of Independent Directors was done by the entire Board and in the evaluation the Director who was subject to evaluation did not participate. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, as and when their respective term expires.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS

All Independent Directors of the Company met separately on March 30th, 2017 without the presence of Non- Independent Directors and Members of Management. In accordance with the Listing Regulations, following matters were, inter-alia, reviewed and discussed in the meeting:

- Performance of Non-Independent Directors and the Board of Directors as a whole.
- Performance of the Chairman of the Company taking into consideration the views of Executive and Non- Executive Directors.
- Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

REMUNERATION OF DIRECTORS:

The remuneration paid to Executive Directors of the Company has been approved by the Board of Directors on the recommendations of the Nomination and Remuneration Committee. At present, the company is not paying any remuneration to any of its directors, as the company's financial position is not so well. Any remuneration to be paid in future shall be in accordance with the Remuneration Policy of the Company as embarked on the website of the company duly approved by the Nomination and Remuneration Committee of the Company.

CODE OF CONDUCT

Commitment to ethical professional conduct is a must for every employee, including Board Members and Senior Management Personnel of the Company. The Code is intended to serve as a basis for ethical decision-making in conduct of professional work. The Code of Conduct enjoins that each individual in the organization must know and respect existing laws, accept and provide appropriate professional views, and be upright in his conduct and observe corporate discipline. The duties of Directors including duties as an Independent Director as laid down in the Companies Act, 2013 also forms part of the Code of Conduct.

The Code of Conduct is available on the website of the Company www.fmecinternational.com. All Board Members and Senior Management personnel affirm compliances with the Code of Conduct annually. A declaration signed by the Chief Executive Officer (CEO) to this effect is placed at the end of this report.

COMMITTEES OF THE BOARD

Following are the Committees of the Board formed:

- A. Audit Committee,
- B. Nomination and Remuneration Committee,
- C. Stakeholders' Relationship Committee.
- D. Executive Committee

The composition of various Committees of the Board of Directors is available on the website of the Company at www.fmecinternational.com. The Board is responsible for constituting, assigning, co-opting and fixing the terms of reference of various Committees. Details on the role and composition of these Committees, including the number of meetings held during the Financial Year and the related attendance are provided below:

A. AUDIT COMMITTEE

As on March 31st 2017, the Audit Committee comprises of Members as mentioned below. The composition of the Committee is in conformity with the SEBI (LODR) Regulations, 2015. During the Financial Year 2016-17, the Audit Committee met four times on 27.05.2016, 01.09.2016, 11.11.2017 and 10.02.2017. The time gap between any two meetings was less than 120 days.

Sl. No.	Name	Designation	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Ramesh Kumar	Chairman	4	4
2.	Mr. Rohit Agrawal	Member	4	4
3.	Mr. Bimal Aggarwal	Member	4	4

The person responsible for the finance function, Chief Financial Officer -Mr. Manoj Kumar, Statutory Auditors -Mr. S. K. Singhal and the Company Secretary of the Company - Ms. Richa Agarwal are the permanent invitee to the Audit Committee Meeting.

B. NOMINATION AND REMUNERATION COMMITTEE

As on March 31st 2017, the Nomination and Remuneration Committee comprises of Members as stated below. The composition of the Committee is in conformity with the SEBI (LODR) Regulations, 2015. During the Financial Year 2016-17, the Nomination and Remuneration Committee met one time on 01st September 2016.

Sl. No.	Name	Designation	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Rohit Agrawal	Chairman	1	1
2.	Mr. Ramesh Kumar	Member	1	1
3.	Mr. Bimal Aggarwal	Member	1	1

Performance evaluation criteria of the Independent Director has been followed as per the Code of Independent director made in accordance with the provisions of Companies Act, 2013 in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

C. STAKEHOLDER RELATIONSHIP COMMITTEE

As on March 31st, 2017 the stakeholder's relationship committee consists of the members as stated below:

During the Financial Year 2016- 17, the committee met 3 times on 15th July, 2016, 28th October, 2016 and 5th January, 2017.

Sl. No.	Name	Designation	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Bimal Aggarwal	Chairman	3	3
2.	Mr. Rohit Agrawal	Member	3	3
3.	Mr. Ramesh Kumar	Member	3	3

Ms. Richa Agarwal, Company Secretary cum Compliance Officer of the Company has been the permanent invitee to the Stakeholder Relationship Committee Meetings.

Mr. Bimal Aggarwal (Managing Director) along with Ms. Richa Agarwal, Company Secretary & Compliance Officer of the Company had attended the Annual General Meeting of the Company held on 25th September, 2016 to answer the grievances of the Shareholders.

As per the Year ending March 31st, 2017 there was no investor complaint received or pending on the company and its RTA. The same has been provided in the certificate filed with the Stock Exchange at the end of each Quarter.

The Committee ensures cordial investor relations and oversees the mechanism for redressal of investors' grievances. The Committee specifically looks into redressing shareholders'/ investors' complaints/ grievances pertaining to share transfers, non-receipts of annual reports, non-receipt of declared dividend and other allied complaints.

The Committee performs the following functions:

- Transfer/ transmission of shares.
- Split up/ sub-division and consolidation of shares.
- Dematerialization/ Re-materialization of shares.
- Issue of new and duplicate share certificates.
- Registration of Power of Attorneys, probate, letters of transmission or similar other documents.
- To open/ close bank account(s) of the Company for depositing share/ debenture applications, allotment and call monies, authorize operation of such account(s) and issue instructions to the Bank from time to time in this regard.

All the functions pertaining to Committee meeting has been completed within the prescribed time period as also certified by a Practising Company Secretary named Mr. Ashok Kumar Verma and duly filed with the Stock Exchanges under Regulation 40(10) on each half of the Financial Year.

EXECUTIVE COMMITTEE MEETING

As on March 31st, 2017 the Executive committee of the Board consists of the members as stated below:

During the Financial Year 2016- 17, the committee met 3 times on 20th September, 2016, 7th October, 2016 and 10th October, 2016.

Sl. No.	Name	Designation	Number of Meetings Held (During the tenure of director)	Number of Meetings Attended
1.	Mr. Bimal Aggarwal	Chairman	3	3
2.	Mr. Rohit Agrawal	Member	3	3
3.	Mrs. Rachna Agarwal	Member	3	3

GENERAL BODY MEETING

Details of Last three General Body Meeting held are given below:-

Financial Year	Category	Venue of the Meeting	Date of the Meeting	Time of the Meeting
2015 - 16	Annual General Meeting	J.P Hotel & Resorts 6B Patparganj IP Extentions NH-24 Behind CNG Petrol Pump New Delhi-110092	25 th September 2016	11.00 A.M.
2014 - 15	Annual General Meeting	J.P Hotel & Resorts 6B Patparganj IP Extentions NH-24 Behind CNG Petrol Pump New Delhi-110092	27 th September 2015	11.00 A.M
2013 - 14	Annual General Meeting	3A Khan Market New Delhi	30 th September 2014	11.30 A.M

The following Special Resolutions passed in the Last three Annual General Meetings of the Company with the requisite consent of the members present in the meeting:-

30.07.2014

- 1.) To appoint Mr. Ramesh Kumar as Independent Director of the Company.

27.09.2015

- 1.) Adoption of new set of Articles of Association.
- 2.) Alteration of clause III(B) by changing the heading of Incidental Object Clause and deletion of clause III(C) of other objects as per the provision of The Companies Act, 2013
- 3.) Alteration of The Liability Clause of the Memorandum of Association as per the Provisions of The Companies Act, 2013

25.09.2016

No Special Resolution passed in the Annual General Meeting of the members dated 25th September, 2016. Neither the company has passed any resolution by way of Postal Ballot during the previous Financial Year nor proposed to be passed.

COMPLIANCE WITH MANDATORY REQUIREMENTS

The Company has complied with all applicable mandatory requirements of the Listing Regulations as on 31.03.2017. Quarterly Compliance Report on Corporate Governance, in the prescribed format, duly signed by the compliance officer is submitted regularly with the Stock Exchanges where the shares of the Company are listed. The Quarterly results of the company generally published in Financial Express having nationwide circulation. Also the same shall be available on the website of the Company at www.fmecinternational.com

GENERAL SHAREHOLDER INFORMATION**Annual General Meeting**

Date: 24th September, 2017

Time: 11:30 AM

Venue: J.P Hotel & Resorts, 6B Patparganj IP Extension, NH-24 Behind CNG Petrol Pump, New Delhi-110092

FINANCIAL CALENDAR

Financial year: April 1 to March 31

For the Financial Year ended March 31, 2017, results were announced on:

First Quarter	:	01st September, 2016
Half Yearly	:	11th November, 2016
Third Quarter	:	10th February, 2017
Fourth Quarter and Annual	:	25th May, 2017

BOOK CLOSURE

The dates of Book Closure are from the 18th September, 2017 to the 24th September, 2017 inclusive of both days.

DIVIDEND PAYMENT

The company has not paid or declared any dividend during the Financial Year ending March 31st, 2017. Hence, no amount by the company was required to be transferred to the Investors Education and Protection Fund (IEPF).

LISTING

At present, the equity shares of the Company are listed at: Bombay Stock Exchange Ltd. (BSE)

Address: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001.

REGISTRAR TO ISSUE AND SHARE TRANSFER AGENT

Our Company had appointed Skyline Financial Services Private Limited as its RTA in 2015 for both segments, physical and electronic. As required under Regulation 7(3) of the Listing Regulations, the Company has filed a certificate issued by RTA and the Compliance Officer of the Company certifying that all activities in relation to both physical and electronic share transfer facility are maintained by RTA registered with SEBI i.e. Skyline Financial Services Private Limited as a SEBI Registered Category- 1, Registrars and Share Transfer Agent.

Details of RTA are as given below:

Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area,
Phase- I, New Delhi- 110 020
Tel: 011- 64732681-88, 26812682/83
Website: www.skylinerta.com
Email: info@skylinerta.com

MARKET PRICE DATA-

High & Low during each month in the last financial year:-

Month	High	Low
April 2016	3.05	3.05
May 2016	3.05	3.05
June 2016	3.05	3.05
July 2016	3.05	3.05
August 2016	3.05	3.05
September 2016	3.05	3.05
October 2016	3.05	3.05
November 2016	3.05	3.05
December 2016	3.05	3.05
January 2017	3.05	3.05
February 2017	3.05	3.05
March 2017	3.05	3.05

DISTRIBUTION OF SHAREHOLDING

Details of distribution of shareholding of the equity shares of the Company by size and by ownership class on March 31, 2017 along with the top 10 shareholders of the Company is given below:

SHAREHOLDING PATTERN BY SIZE AS ON MARCH 31, 2017

Share or Debenture holding Nominal Value	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount	% to Total Amount
Up To 5,000	163	31.29	645000	2.08
5001 To 10,000	201	38.58	1868750	6.03
10001 To 20,000	30	5.76	524000	1.69
20001 To 30,000	34	6.53	860000	2.77
30001 To 40,000	4	0.77	148000	0.48
40001 To 50,000	14	2.69	674000	2.17
50001 To 1,00,000	7	1.34	452500	1.46
1,00,000 and Above	68	13.05	25834750	83.32
Total	521	100	31007000	100

SHAREHOLDING PATTERN BY OWNERSHIP

Particulars	As on March 2016				As on March 2017			
	No. of Share holders	% of Share holders	No. of Share held	% of Share holding	No. of Share holders	% of Share holders	No. of Shares held	% of Share holding
Promoter & Promoter Group	5	00.97%	365375	11.78%	5	00.96%	365375	11.78
Public								
Individual Shareholders holding Nominal Share Capital Up to 2 Lacs	454	87.98%	649325	20.94%	458	88.76%	636425	20.53%
Individual Shareholders holding Nominal Share Capital Above 2 Lacs	53	10.27%	2027500	65.39%	43	8.33%	1720700	55.49%

Bodies Corporate	4	0.78%	58500	1.89%	10	1.94%	197800	6.38
Resident Indian HUF					5	00.96%	180400	5.82%

TOP TEN SHAREHOLDERS AS ON MARCH 31ST, 2017

Name of the Shareholders	No. of Shares held	% of Share holding
Manoj Kumar Jain	124000	4%
Mahima Jain	81475	2.63%
Munish	80500	2.60%
Apoorve Bansal	77800	2.51%
Niraj Jain	76100	2.45%
Megha Bansal	75100	2.42%
Pankaj Kumar Bansal	72300	2.33%
Md. Sibte Hasan	59900	1.93%
Pankaj Kumar Bansal, karta of HUF	59000	1.90%
Satyawati Aggarwal	52625	1.70%
Total	758800	24.47%

DEMATERIALIZATION OF SHARES AND LIQUIDITY:

Trading in equity shares of the Company in dematerialized form became mandatory from May 31, 1999. To facilitate trading in Demat form, in India, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The Company has entered into agreement with both these depositories. Shareholders can open their accounts with any of the Depository Participant registered with these depositories.

- As on March 31, 2017, 0.061% shares of the Company were held in dematerialized form.
- The equity shares of the Company are frequently traded at Bombay Stock Exchange Ltd.

The company is facilitating the Company with the services of Dematerialisation and also encouraging the shareholders to convert their physical shares into demat.

OUTSTANDING GDR/ADR

The company has no outstanding GDR/ ADR or warrants or any convertible instruments which is likely to impact the equity of the company.

The company does not indulge into hedging activities so there shall be no gain or loss arises from foreign exchange fluctuation.

PLANT LOCATION

The company has no manufacturing unit so there is no plant set up for the business of the Company. The company has indulges into financial activities via its registered office located at IInd Floor, Central Bank Building 13B, Daryaganj, New Delhi- 110002.

ADDRESS FOR CORRESPONDENCE

For Share Transfer/ Dematerialisation of Shares/ Payment of Dividend and any query related to shares: Details of RTA are as given below:

Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area,
Phase- I, New Delhi- 110 020
Tel: 011- 64732681-88, 26812682/83
Website: www.skylinerta.com
Email: info@skylinerta.com

Company Secretary/ Compliance Officer:

Ms. Richa Agarwal
F Mec International Financial Services Limited
IInd Floor, Central Bank Building 3B, Daryaganj, New Delhi- 110002
Tel: 011- 43680407
Email: fmecinternational@gmail.com

Grievance Redressal Officer:

Mr. Bimal Aggarwal
Managing Director
F Mec International Financial Services Limited
IInd Floor, Central Bank Building 3B, Daryaganj, New Delhi- 110002
Tel: 011- 43680407

OTHER DISCLOSURES

1. There was no materially significant related party transaction taken place during the previous financial year that may have potential conflict with the interests of listed entity at large.
2. The company was in default of calling the Board meeting within the prescribed time period of 45 days as prescribed in Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Bombay stock Exchange has levied a Fine of Rs. 1,27,662/- (Rupees One Lakh Twenty Seven Thousand Six Hundred and sixty Two Only) on the Company for a continuing default of 17 days. The company has made payment of the same on 1st June, 2017 after receiving letter of regret from Bombay Stock Exchange.
3. The company has not only made policy on Vigil mechanism and/or Whistle blower Policy but also following it very strictly. And every person of the company has access to the members of Audit Committee in case of any suspicious event.
4. The company has made policies on material subsidiaries and related party transactions on the website of the company at www.fmecinternational.com

CERTIFICATION BY CHIEF FINANCIAL OFFICER AND MANAGING DIRECTOR

11th August, 2017

To

The Board of Directors
F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED.
IInd Floor, Central Bank Building
13-B, Netaji Subhash Marg, Daryaganj
Delhi-110002,

I, Bimal Aggarwal, Managing Director of the Company along with Mr. Manoj Kumar Thakur, Chief Financial Officer of the Company, do hereby solemnly affirm and certify to the Board that:

- a. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2017 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. That to the best of our knowledge and belief, no transactions has been entered into by the company during the year which are fraudulent, illegal or volatile of the company's code of conduct.
- c. We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year, if there is any, and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we 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.

sd/-
Bimal Aggarwal
(Managing Director)
DIN: 00361883

sd/-
Manoj Kumar Thakur
(Chief Financial Officer)
PAN: AGOPT3174G

ANNEXURE-II

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:

i	CIN	L74899DL1993PLC053936
ii	Registration Date	07/06/1993
iii	Name of the Company	F- MEC INTERNATIONAL FINANCIAL SERVICES LIMITED
iv	Category/Sub-category of the Company	Company Limited By Shares
v	Address of the Registered office & contact details	IIInd Floor, Central Bank Building 13-B, Netaji Subhash Marg, Daryaganj Delhi-110002
vi	Whether listed company	Yes, BSE Limited
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	SKY LINE FINANCIAL SERVICES PRIVATE LIMITED Shop No.D-153/A, I-Area, Okhla Phase I, Okhla Industrial Area, New Delhi, Delhi

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	NBFC ACTIVITY	6492	100%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	YDS SECURITIES PRIVATE LIMITED	U67120DL1995PTC153164	SUBSIDIARY	75.66	2(87)

IV **SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF		365375	365375	11.78		365375	365375	11.78	0	0
b) Central Govt.or State Govt.		0	0	0	0	0	0	0	0	0
c) Bodies Corporates		0	0	0	0	0	0	0	0	0
d) Bank/Fl		0	0	0	0	0	0	0	0	0
e) Any other		0	0	0	0	0	0	0	0	0
SUB TOTAL:(A) (1)		365375	365375	11.78		365375	365375	11.78	0	0
(2) Foreign										
a) NRI- Individuals		0	0	0	0	0	0	0	0	0
b) Other Individuals		0	0	0	0	0	0	0	0	0
c) Bodies Corp.		0	0	0	0	0	0	0	0	0
d) Banks/Fl		0	0	0	0	0	0	0	0	0
e) Any other...		0	0	0	0	0	0	0	0	0
SUB TOTAL (A) (2)		0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)		365375	365375	11.78	0	365375	365375	11.78	0	0
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0	0	0	0	0	0	0	0	0	0
b) Banks/Fl	0	0	0	0	0	0	0	0	0	0
C) Central govt	0	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0	0

SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0	0
(2) Non Institutions										
a) Bodies corporates	0	143532	143532	4.63	0	197800	197800	6.38	0	1.75
i) Indian	0	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0	0
b) Individuals										
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	1800	508625	510425	16.46	1300	127325	127625	41.01	0	24.55
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	0	1613531	1613531	52.04	600	1084900	1085500	35	0	-17.04
c) Others (HUF)	0	467837	467837	15.08	0	180400	180400	5.82	0	-9.26
SUB TOTAL (B)(2):	1800	2733525	2735325	88.22	1900	2733425	2735325	88.28	0	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	1800	2733525	2735325	88.22	1900	2733425	2735325	88.28	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	1800	3098900	3100700	100	1900	3098800	3100700	100	0	0

(ii) **SHARE HOLDING OF PROMOTERS**

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares of the company	% of shares pledged encumbered to total shares	NO of share	% of total shares of the company	% of shares pledged encumbered to total shares	
1	Suraj Aggarwal	141325	4.56	NA	141325	4.56	NA	NA
2	Bimal Aggarwal	68000	2.19	NA	68000	2.19	NA	NA
3	Sumat Prakash Aggarwal	134050	4.32	NA	134050	4.32	NA	NA
4	Rachna Aggarwal	18500	0.60	NA	18500	0.60	NA	NA
5	Sangeeta Aggarwal	3500	0.11	NA	3500	0.11	NA	NA

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	NA	NA	NA	NA
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	NA	NA	NA	NA
	At the end of the year	NA	NA	NA	NA

**There was no change in promoters' shareholding during the financial year 2016-17.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

S.No.	Name of the Shareholder	At the beginning of the year (i.e. 01.04.2016)		At the end of the year (i.e. 31.03.2017)		Cumulative Shareholding during the year		Increase / Decrease in Share holding during the year	Reasons (for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)
		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	Mnaoj Kumar Jain	24000	0.78	124000	4.00	124000	4.00	3.22	Nil
2	Mahima Jain	25600	0.83	81475	2.63	81475	2.63	1.8	Nil
3	Munish	80500	2.60	80500	2.60	80500	2.60	0	Nil
4	Apoorve Bansal	3300	0.11	77800	2.51	77800	2.51	2.4	Nil
5	Niraj Jain	26100	0.84	76100	2.45	76100	2.45	1.61	Nil
6	Megha Bansal	25100	0.81	75100	2.42	75100	2.42	1.61	Nil
7	Pankaj Kumar Bansal	22300	0.72	72300	2.33	72300	2.33	1.61	Nil
8	Md. Sibte Hasan	59900	1.94	59900	1.93	59900	1.93	-0.01	Nil
9	Satyawati Aggarwal	52625	1.70	52625	1.70	52625	1.70	0	Nil
10	Lalita Bansal	1300	0.04	51300	1.65	51300	1.65	1.61	Nil

v Shareholding of Directors and Key Managerial Personnel:

S.No.	Name of the Directors / KMP (Designation)	At the beginning of the year (i.e. 01.04.2016)		At the end of the year (i.e. 31.03.2017)		Cumulative Shareholding during the year		Increase / Decrease 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	Bimal Aggarwal (Managing Director)	68000	2.19	68000	2.19	NIL	NIL	N.A
2	Rachna Aggarwal (Director)	18500	0.60	18500	0.60	NIL	NIL	N.A
3	Rohit Agrawal (Independent Director)	24100	0.77	0	0.00	NIL	NIL	0.77% Decrease
4	Ramesh Kumar (Independent Director)	NIL	NIL	NIL	NIL	NIL	NIL	N.A
5	Manoj Kumar Thakur (Chief Financial Officer)	NIL	NIL	NIL	NIL	NIL	NIL	N.A
6	Richa Agarwal (Company Secretary)	NIL	NIL	NIL	NIL	NIL	NIL	N.A

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial				
i) Principal Amount	0	1,033,739	0	1,033,739
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)				
Change in Indebtedness during the financial				
Additions	0	0	0	0
Reduction	0	900000	0	900000
Net Change	0	900000	0	900000
Indebtedness at the end of the financial year				
i) Principal Amount	0	133739	0	133739
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	0	133739	0	133739

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and /or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount	
1	Gross salary						
	(a) Salary as per provisions contained in section	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) of the Income	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of	NIL	NIL	NIL	NIL	NIL	NIL
2	Stock option	NIL	NIL	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL	NIL	NIL
	as % of profit	NIL	NIL	NIL	NIL	NIL	NIL
	others (specify)	NIL	NIL	NIL	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	NIL	NIL	NIL
	Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A	N.A

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors				Total Amount	
1	Independent Directors						
	(a) Fee for attending board committee meetings	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Commission	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL	NIL
2	Other Non Executive Directors						
	(a) Fee for attending	NIL	NIL	NIL	NIL	NIL	NIL
	(b) Commission	NIL	NIL	NIL	NIL	NIL	NIL
	(c) Others, please specify.	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Cieling as per the Act.	N.A	N.A	N.A	N.A	N.A	N.A

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD /MANAGER/WTD

Sl. No.	Particulars of Remuneration			Key Managerial Personnel			
				CEO	Company Secretary	CFO	Total
1	Gross Salary						
	(a) Salary as per provisions contained in			336000	211667	NIL	547667
	(b) Value of perquisites u/s 17(2) of the			NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section			NIL	NIL	NIL	NIL
2	Stock Option			NIL	NIL	NIL	NIL
3	Sweat Equity			NIL	NIL	NIL	NIL
4	Commission			NIL	NIL	NIL	NIL
	as % of profit			NIL	NIL	NIL	NIL
	others, specify			NIL	NIL	NIL	NIL
5	Others, please specify			NIL	NIL	NIL	NIL
	Total			336000	211667	NIL	547667

VII PENALTIES /PUNISHMENT/COMPPOUNDING OF OFFENCES

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					

N.A

THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT**INDUSTRY STRUCTURE AND DEVELOPMENT**

Indian economy is going through a period of rapid 'financial liberalization'. Today, the 'intermediation' is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products. The segment consisting of NBFCs, such as equipment leasing/hire purchase finance, loan and investment companies, etc. have made great strides in recent years and are meeting the diverse financial needs of the economy. These NBFCs provide a variety of services including fund-based and fee-based activities and cater to retail and non-retail markets and niche segments. They are being recognized as complementary to the banking sector due to their customer-oriented services, simplified procedures, flexibility and timeliness in meeting the credit needs of specified sectors.

The long term outlook for the NBFC Sector remains positively backed by the lower credit penetration and huge capital formation requirement of the Country. However in the short term the sector may find the macro – economic environment challenging for growing quality book on account of overall bearish sentiments, volatile stock market and high interest rates.

FINANCIAL & BUSINESS REVIEW

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED is currently engaged in NBFC activities & Financial Management and Advisory Services. The Company intends to continue focusing on NBFC activities including financing, Inter- corporate Investments & Capital Market activities.

Due to limited resources, company is unable to achieve the growth in the last years but management of the Company is very hopeful to achieve standards of growth in the near future. The main revenue of the Company is earned from the Interest Income and Commission Income.

Management of the Company is very hopeful to bring higher operating efficiencies within the Company based on the understanding and strength of superior Knowledge of local market and efficient and Conservative approach.

FUTURE OUTLOOK

In the upcoming years Company will strive to achieve high revenue by way of providing financial services businesses in India focused on delivering superior customer experience through class leading services and good returns to the Company's shareholders at the same time maintaining the high levels of integrity.

KEY PERFORMANCE DRIVERS AND CAPABILITIES

The Company's long term aspiration is to play a significant role in meeting the financial requirements of retail customers as well as corporate clients. To carry out its long term goal and achieve its financial activities, the Company has formed some strategies.

ADEQUACY OF INTERNAL CONTROL

The Company has a proper and adequate system of internal control in all spheres of its activities to ensure that all its assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported diligently.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines.

RISKS & CONCERNS

Being a Financial company, it is exposed to specific risks that are particular to its business and the environment within which it operates, including interest rate volatility, economic cycle, credit risk and market risk. The most important among them are credit risk, market risk and operational risk. The measurement, monitoring management of risk remains key focus areas for the company.

HR & INFRASTRUCTURE DEVELOPMENT

The Company has a team of able and experienced industry professionals and employees. During the year, the company further strengthened its IT infrastructure and systems to support its operations.

RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Board of Directors has reviewed the Management Discussion and Analysis prepared by the Management, and the Independent Auditors have noted its contents. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

ANNEXURE-IV

LOANS, GUARANTEE, INVESTMENT

S.No	Particulars	31/03/2017	31/03/2016
1.	Long Term loans and advances		
	Blossom E Solutions Pvt. Ltd.	62,57,460.00	62,57,460.00
	Logisys Ind. Pvt. Ltd.	45,00,000.00	59,20,020.00
	Suresh Pal Singh	35,00,000.00	49,39,648.00
	Sunita Singh	-	1,07,587.00
	Sweta Singh	5,00,000.00	6,65,000.00
	Deccan Plateau Projects LLP	2,18,660.00	30,69,260.00
	IT Serve Global	15,69,900	-
	AS Buildpro Pvt. Ltd.	17,29,600.00	16,64,800.00
	Karo Coils Pvt. Ltd.	31,16,100	-
2.	Non Current Investment		
	Unquoted		
	YDS Securities Pvt. Ltd. 826530 Equity Shares @ Rs. 10 each	8,265,300.00	8,265,300.00
	Texas Engineers Pvt. Ltd. 10000 Equity shares @ Rs. 10 each	1,00,000.00	1,00,000.00

ANNEXURE-V

FORM NO. AOC.1

Statement containing salient features of the financial statement of
subsidiaries/associate companies/joint ventures
(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of
Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs)

S. No	Particulars	Details
1.	SL. No.	1
2.	Name of the subsidiary	YDS SECURITIES PRIVATE LIMITED
3.	The date since when subsidiary was acquired	18.04.1995
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01st April 2016 to 31st March 2017
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
6.	Share capital	1,09,23,500
7.	Reserves and surplus	(15,65,673)
8.	Total assets	94,35,166
9.	Total Liabilities	94,35,166
10.	Investments	50,52,500
11.	Turnover	Nil
12.	Profit before taxation	(46,175)
13.	Provision for taxation	Nil
14.	Profit after taxation	(46,175)
15.	Proposed Dividend	Nil
16.	Extent of shareholding (in percentage)	75.665%

Notes: The following information shall be furnished at the end of the statement:

- Names of subsidiaries which are yet to commence operations: NA
- Names of subsidiaries which have been liquidated or sold during the year: NA

ANNEXURE VI**Form No. MR-3****SECRETARIAL AUDIT REPORT****For The Period 01st April, 2016 to 31st March, 2017**

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

To

The Members,**F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**

IInd Floor, Central Bank Building

13-B, Netaji Subhash Marg, Daryaganj, Delhi,

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED** (hereinafter called as the ("**company**"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the **Company's** books, papers, minute books, and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents the company has, during the audit period covering the financial year ended on **31st March, 2017** complied with the statutory provisions listed hereunder and 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED** ("**the Company**") for the financial year ended on **31st March, 2017** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) Secretarial Standards issued by Institute of Company Secretaries of India, 1880
- (iii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not applicable for the given audit period)**
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (v) 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; **(Not applicable for the given audit period)**
- (vi) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 **(applicable w.e.f 1st December, 2015)**
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the audit period)**

- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (share based employee benefits) Regulation 2014 **(Not applicable to the Company during the audit period);**
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not applicable to the Company during the audit period);**
 - g) 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;
 - h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the audit period); and**
 - i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the audit period);**
- (vii) We further report that, having regard to the compliance system and mechanism prevailing in the Company and representation made by its officers for the same and our examination of relevant documents /records in pursuant thereof on our test check basis, the Company has adequate system for the compliances of the following applicable laws :
1. The RBI Act 1934 and amendment came into force from time to time;
 2. Prudential Norms Issued by the Reserve Banks for NBFC- ND Companies.
 3. Sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
 4. Right To Information Act, 2005
 5. Indian Contract Act, 1872
 6. Negotiable Instruments Act, 1881

We report that:

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

1. The Company is under process to appoint internal auditor pursuant to the requirement of section 138 of Companies Act, 2013, as confirmed by the Management.

We further report that

The Composition of Board of Directors of the Company is duly constituted with proper balance of Executive, Non-executive, Woman Director, and Independent Directors as per the provisions of Companies Act, 2013 and SEBI Regulations. 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 and SEBI Regulations.

Adequate notices were given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the chairman and the decision of the board were unanimous and no dissenting views have been recorded.

We further report that the compliance by the company of applicable financial laws like Direct and Indirect Tax Laws and maintenance of financial records, books of accounts and internal financial control has not been reviewed in this audit since the same have been subject to review by statutory financial audit and other designated professionals.

We 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.

We further report that pursuant to compliance of section 134(3)(p) and other applicable provisions of the Companies Act, 2013 read with applicable rules as amended from time to time, a formal annual performance evaluation of all the Directors of the Company, its committees and board as a whole was carried out after approval of the policy for the evaluation of the performance by the board during the financial year under the audit.

We 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.

For A. K. VERMA & CO
(Practicing Company Secretaries)

Sd/-
ASHOK KUMAR VERMA
(SENIOR PARTNER)
FCS : 3945
CP NO: 2568

Place: Delhi

Date: 11-08-2017

This Report is to be read with our letter of even date which is Annexed as (Annexure -A) and forms an integral part of this Report

'Annexure -A'

To

The Members,

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

IIInd Floor, Central Bank Building

13-B, Netaji Subhash Marg, Daryaganj, Delhi,

Subject: Our report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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 secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For A. K. VERMA & CO
(Practicing Company Secretaries)

ASHOK KUMAR VERMA
(SENIOR PARTNER)
FCS : 3945
CPNO: 2568

Place: Delhi

Date: 11-08-2017

Annexure- VII

ANNUAL EVALUATION

The performance of the Board as a whole, of its committee, and of its members, shall be evaluated at the end of the year keeping in view the objectives of the Company.

It will be the responsibility of the Chairman who shall be supported by Company Secretary (if any) to organize the evaluation process and act on its outcome.

The results of the annual evaluation shall remain confidential between the Chairman, Directors concerned and the Company Secretary (if any).

The evaluation process will be used constructively as a mechanism to improve board effectiveness, maximize strengths and tackle weaknesses.

STANDALONE FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

Report on the Financial Statements

We have audited the accompanying (standalone) financial statements of **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for (standalone) the 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) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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) 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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) financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (standalone) 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, 2017, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report 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 purpose 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the aforesaid (standalone) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 B".
 - 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. [Refer point no. 25 of the notes to accounts]

FOR SANJAY K SINGHAL & CO

Chartered Accountants

FRN : 024807N

(SANJAY KUMAR SINGHAL)

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 25/05/2017

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- 1) The Company has neither acquired nor having any fixed assets for the year ended 31.03.2017
- 2) (i) The company does not have any inventory as on balance sheet date.
(ii) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3) 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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the company has obtained registration, Reg. No. 14.01129

FOR SANJAY K SINGHAL & CO

Chartered Accountants

FRN : 024807N

(SANJAY KUMAR SINGHAL)

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 25/05/2017

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED the Internal Financial Controls 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 F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED as of March 31, 2017 in conjunction with our audit of the standalone 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 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.

Auditors’ 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 on Audit of Internal Financial Controls Over Financial Reporting (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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 authorisations 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 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, 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, 2017, 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 SANJAY K SINGHAL & CO

Chartered Accountants

FRN : 024807N

(SANJAY KUMAR SINGHAL)

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 25/05/2017

AUDITORS' ADDITIONAL REPORT**BOARD OF THE DIRECTORS****F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED****11nd Floor, Central Bank Building 13- B, Netaji Subhash Marg****Daryaganj, Delhi- 110002**

This report is issued on accordance with the terms of master directions vide no. **DNBS. PPD.03/66.15.001/2016-17** issued by Reserve Bank of India under head Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 dated September 29th, 2016

We have audited the accompanying financial statements of **F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED ("the Company")** which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Pursuant to the requirements of Non Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 ('the Directions' as amend from time to time) it is our responsibility to examine the books and records of the Company and report on the matters specified on the Directions to the extent applicable to the Company.

We conducted our examination in accordance with Guidance Note on Special Purpose Audit reports and Certificates issued by Institute of Chartered Accountants of India.

Based on our examination of the books and records of the Company as produced for our examination and the information and explanation given to us, we further report that:

- The Company is engaged in the business of non banking financial Company and has obtained certificate of Registration on **11th September, 1998 bearing No. 14.01129** under section 45 I(a) of the Reserve Bank of India Act, 1934 ("the Bank") Department of Non Banking Supervision, New Delhi Regional Office.
- The Company is entitled to continue to hold such COR in terms of its asset/income pattern as on March 31, 2017.
- The Board of Directors of the Company has passed a resolution in its meeting held on 27th May, 2016 for non acceptance of public deposits.
- The Company has not accepted any public deposits during the year ended March 31, 2017.
- The Company is meeting the requirement of net owned fund requirement as laid down in Master Circular- Non Systematically Important Non deposit taking Company (Reserve Bank) Directions, 2016

- The Company has complied with prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it in terms of Non-Banking Financial Company- Non Systematically Important Non -Deposit taking Company (Reserve Bank) Directions, 2016.
- The company has complied with all the items referred to in paragraph 3 of the above stated Master Directions, 2016. Hence, there is no Qualified and/or unfavorable observation in the Auditor's Report of the Company for the Financial Year ending 31st March, 2017.

Restriction on Use

This report is issued pursuant to our obligations under Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 as applicable from September 29, 2016 to submit a report on exceptions, noted while issuing our report dated 25th May, 2017 on additional matters as stated in the above directions, to Reserve Bank of India and should not be used by any other person or for any other purpose. M/s Sanjay K Singhal & Co. neither accepts nor assumes any duty or liability for any other purpose or to any other party to whom our report is shown or into whose hands it may come without our prior consent in writing.

FOR SANJAY K SINGHAL & CO

Chartered Accountants

FRN : 024807N

(SANJAY KUMAR SINGHAL)

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 25/05/2017

BALANCE SHEET AS AT MARCH 31, 2017

	Note No.	Figures as at the end of current reporting period 31.03.2017	Figures as at the end of current reporting period 31.03.2016
I EQUITY AND LIABILITIES			
1 Shareholders' Funds			
(a) Share Capital	3	31,007,000	31,007,000
(b) Reserves and Surplus	4	426,263	169,479
(c) Money received against share warrants		-	-
		<u>31,433,263</u>	<u>31,176,479</u>
(2) Share application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-term borrowings	5	133,739	1,033,739
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
		<u>133,739</u>	<u>1,033,739</u>
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	6	714,347	667,408
(d) Short-term provisions		110,352	27,507
		<u>824,699</u>	<u>694,915</u>
TOTAL		<u>32,391,702</u>	<u>32,905,133</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
		-	-
(b) Non-current investments	7	8,365,300	8,365,300
(c) Deferred tax assets (net)	8	136,260	136,260
(d) Long term loans and advances	9	21,391,720	22,623,775
(e) Other non-current assets		-	-
		<u>29,893,280</u>	<u>31,125,335</u>
(2) Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	10	694,067	34,562
(e) Short-term loans and advances	11	1,500,000	1,500,000
(f) Other current assets	12	304,355	245,237
		<u>2,498,422</u>	<u>1,779,799</u>
TOTAL		<u>32,391,702</u>	<u>32,905,133</u>

In terms of our attached report of even date

SANJAY K SINGHAL & Co.
Chartered Accountants
FRN : 024807N

(Sanjay Kumar Singhal)
Partner
M.NO. :503475

For and on behalf of

F Mec International Financial Services Limited

(Bimal Aggarwal)
Director
Din: 00361883

(RACHNA AGARWAL)
Director
Din: 02604852

Place: New Delhi
Dated: 25.05.2017

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2017

	Note No.	Figures as at the end of current reporting period 31.03.2017	Figures as at the end of current reporting period 31.03.2016
Revenue from operations	13	5,060,680	2,554,180
Other Income		707	25,200
Total Revenue (I +II)		5,061,387	2,579,380
Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade		-	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense	15	816,667	796,000
Financial costs	14	898	335
Depreciation and amortization expense		-	-
Other expenses	15a	3,876,686	1,698,610
Total Expenses		4,694,251	2,494,945
Profit before exceptional and extraordinary items and tax (III - IV)		367,136	84,435
Exceptional Items		-	-
Profit before extraordinary items and tax (V - VI)		367,136	84,435
Extraordinary Items		-	-
Profit after extraordinary items and before tax (VII - VIII)		367,136	84,435
Tax expense:			
(1) Current tax		110,352	27,507
(2) Deferred tax		-	-
Profit(Loss) for the period from continuing operations		256,784	56,928
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Prior Period MAT W/off		-	-
Prior Period Deferred Tax Adjustment		-	-
Profit(Loss) for the period		256,784	56,928
Transfer to reserve for bad and doubtful debts(As per RBI ACT)		53,479	56,559
Transfer to special reserve		51,357	11,386
Transfer to Reserve & Surplus		151,948	(11,017)
Earning per equity share:			
(1) Basic		0.0828	0.0184
(2) Diluted		-	-

In terms of our attached report of even date

For and on behalf of

SANJAY K SINGHAL & Co.
Chartered Accountants
FRN : 024807N

F Mec International Financial Services Limited

(Sanjay Kumar Singhal)
Partner
M.NO. :503475

(Bimal Aggarwal)
Director
Din: 00361883

(RACHNA AGARWAL)
Director
Din: 02604852

Place: New Delhi
Dated: 25.05.2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Cash Flow from Operating Activities		
Net profit before tax and extraordinary items	367,136	84,436
Adjustment for:		
Interest	-	-
Provision for Income tax	82,845	(12,623)
MAT Credit Entitlement	-	-
Operating profit before working capital changes	449,981	71,813
Adjustment for:		
loans and advances	-	-
Trade Payable	-	-
Other current liabilities	46,939	465,581
Short term provisions	-	-
Trade receivables	-	-
Other current assets	(59,118)	(243,619)
Cash generated from operations	437,802	293,775
Interest paid	-	-
Tax paid	-	-
Income Tax Adjustment	(110,352)	(27,507)
NET CASH FROM OPERATING ACTIVITIES (A)	327,450	266,268
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital advance	-	-
Purchase of Investment	-	-
Purchase of fixed assets	-	-
Long term Loan & Advances	1,232,055	(2,326,043)
Non-current investments	-	900,000
NET CASH USED IN INVESTING ACTIVITIES (B)	1,232,055	(1,426,043)
C. CASH FLOW FROM FINANCE ACTIVITIES		
Decrease)/increase in equity share capital	-	-
(Decrease)/increase in Securities premium	-	-
(Decrease)/increase in Preference shares	-	-
(Decrease)/increase in long term borrowings	(900,000)	1,000,000
(Decrease)/increase in Short term borrowings	-	-
(C)	(900,000)	1,000,000
D. NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	659,505	(159,775)
Cash and cash equivalents opening balance	34,562	194,337
Cash and cash equivalents closing balance	694,067	34,562

In terms of our attached report of even date

SANJAY K SINGHAL & Co.
Chartered Accountants
FRN : 024807N

(Sanjay Kumar Singhal)
Partner
M.NO. :503475

For and on behalf of

F Mec International Financial Services Limited

(Bimal Aggarwal)
Director
Din: 00361883

(RACHNA AGARWAL)
Director
Din: 02604852

Place: New Delhi
Dated: 25.05.2017

STANDALONE NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2017

Note No.	Particulars	Figures for the current		Figures for the previous	
		reporting period 31/03/17		reporting period 31/03/16	
3	Share Capital				
	Authorised				
	3500000(3500000) Equity Shares of Rs. 10/- Par Value	35,000,000		35,000,000	
		<u>35,000,000</u>		<u>35,000,000</u>	
	Issued				
	3100700(3100700) Equity Shares of Rs. 10/- Par Value	31,007,000		31,007,000	
		<u>31,007,000</u>		<u>31,007,000</u>	
	Subscribed				
	3100700(3100700) Equity Shares of Rs. 10/- Par Value	31,007,000		31,007,000	
		<u>31,007,000</u>		<u>31,007,000</u>	
	Paidup				
	3100700(3100700) Equity Shares of Rs. 10/- Par Value fully paidup	31,007,000		31,007,000	
		<u>31,007,000</u>		<u>31,007,000</u>	

3.1 Detail of shareholding more than 5% of the shareholding

Particular	31/03/2017	% Held	31/03/2016	% Held
Shweta Singh	-	-	180,875	5.83%
Suresh Pal Singh	-	-	179,450	5.79%
Sunita Singh	-	-	170,050	5.48%

3.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting date

Particular	31/03/2017		31/03/2016	
	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning	3,100,700	31,007,000	3,100,700	31,007,000
Add: Issue	-	-	-	-
Less: Bought Back	-	-	-	-
Add: Other	-	-	-	-
Number of Shares at the end	3,100,700	31,007,000	3,100,700	31,007,000

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED**2016-2017**

4	Reserve and Surplus	31/03/2017	31/03/2016
	Profit & Loss		
	Balance B/f	37,664	48,681
	Amount Transferred From Statement of P&L	151,948	(11,017)
	Amount Transferred from Sundries	-	-
		189,612	37,664
Less:			
	Appropriation and Allocation	-	-
		-	-
	Total	189,612	37,664
	Special Reserve (1) as per RBI ACT	31/03/2017	31/03/2016
	Balance B/f	24,512	13,126
	Amount Transferred From Statement of P&L	51,357	11,386
	Amount Transferred from Sundries	-	-
		75,868	24,512
Less:			
	Appropriation and Allocation	-	-
		-	-
	Total	75,868	24,512
	Reserve for Bad and Doubtful debts (As Per RBI ACT)	31/03/2017	31/03/2016
	Balance B/f	107,303	50,744
	Amount Transferred From Statement of P&L	53,479	56,559
	Amount Transferred from Sundries	-	-
		160,783	107,303
Less:			
	Appropriation and Allocation	-	-
		-	-
	Total	160,783	107,303
	G. Total	426,263	169,479

5	Long Term Borrowings	31/03/2017	31/03/2016
	Loan and Advances From Subsidiary Company & Other Parties		
	Unsecured Loans:-		
	YDS Securities Pvt. Ltd.	33,739	33,739
	Competent Freight Carries Pvt. Ltd.	-	250,000
	Shree Vishnupriya Finance & Leasing Limited	-	550,000
	Other	100,000	100,000
	Rohit Agrawal	-	100,000
		133,739	1,033,739
6	Other Current Liabilities	31/03/2017	31/03/2016
	Expenses Payables		
	TDS Payable	11,188	16,723
	Audit Fees Payable	25,000	22,500
	Expenses Payables	678,159	628,185
		714,347	667,408
7	Non Current Investments	31/3/2017	31/03/2016
	Investments		
	Unquoted	<u>Face Value</u>	<u>Quantity</u>
	YDS Securities Pvt. Ltd.	10	826530
	Texas Engineers Pvt. Ltd.	10	100000
		8,365,300	9,265,300
8	Deferred Tax Assets/ (Liability)	31/03/2017	31/03/2016
	Deferred Tax Assets	136,260	136,260
		136,260	136,260
9	Long-term loans and advances	31/03/2017	31/03/2016
	Long Term Loans and Advances to be recoverable in cash or in kind		
	Unsecured Considered good		
	Blossom E Solutions Pvt. Ltd.	6,257,460	6,257,460
	Logisys Ind. Pvt. Ltd.	4,500,000	5,920,020
	Suresh Pal Singh	3,500,000	4,939,648
	Sunita Singh	-	107,587
	Sweta Singh	500,000	665,000
	AS Buildpro Pvt. Ltd.	1,729,600	1,664,800
	Deccan Plateau Projects LLP	218,660	3,069,260
	IT Serve Global	1,569,900	-
	Karo Coils Pvt. Ltd.	3,116,100	-
		21,391,720	22,623,775

10	Cash and cash equivalents	31/03/2017	31/03/2016
	Cash in Hand	223,173	10,533
	Balance With Banks-		
	Current Account with Union Bank of India	470,894	24,029
		694,067	34,562
11	Short-term loans and advances	31/03/2017	31/03/2016
	Other advances		
	Advance for shares	1,500,000	1,500,000
		1,500,000	1,500,000
12	Other current assets	31/03/2017	31/03/2016
	Advance Tax	-	5,000
	TDS AY. 2015-16	1,318	1,318
	TDS AY. 2016-17	-	41,280
	Service Tax Input	27,960	197,639
	KKC Input	999	-
	TDS AY. 2017-18	274,078	-
		304,355	245,237
13	Revenue from operations	31/03/2017	31/03/2016
	Income from Services		
	Consultancy & Commission Income	4,500,000	-
	Interest income	560,680	2,554,180
		5,060,680	2,554,180
14	Finance costs	31/03/2017	31/03/2016
	Bank Charges	898	335
		898	335
15	Employee Benefit Expenses	31/03/2017	31/03/2016
	Salary	816,667	796,000
		816,667	796,000

15a	Other Expenses	31/03/2016	31/03/2015
	Auditor's Fees	25,000	25,000
	Listing Fees	206,900	1,340,840
	Professional Fee	176,706	170,655
	Advertisement Expenses	42,000	70,400
	Bad Debts	3,132,255	-
	Annual Custody Fees	15,000	-
	Share Transfer Expenses	1,200	-
	Roc Charges	3,069	1,842
	Meeting Fee	-	23,500
	Membership Fees	56,250	-
	Office Expenses	55,780	-
	Other Expenses	5,450	-
	Diwali Bonus	28,000	-
	Convenyance	1,587	5,197
	Courier Expenses	560	3,708
	Interest On TDS	2,306	4,584
	Notarizing Expenses	-	404
	Photo Copy Expenses	1,080	1,615
	Printing & Stationary	15,200	5,560
	Rent	48,000	20,000
	Repair & Maintenance	6,540	-
	Swachh Bharat Cess Tax	2,372	1,500
	Telephone & Internet Expenses	23,881	15,305
	Website Designing Expenses	4,000	8,500
	Travelling Expenses	23,550	-
		3,876,686	1,698,610

NOTES FORMING INTEGRAL PART OF THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017**1. CORPORATE INFORMATION**

FMEC International Financial Services Limited (the company) is a Limited company domiciled in India and incorporated under provision of Companies Act, 1956 as on 7th June 1993 and is Holding of YDS Securities Private Limited. The company is engaged in the business of Financing and providing Consultancy.

2. BASIS OF PREPARATION OF ACCOUNTS

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified under section 133 of the companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statements has been prepared on the accrual basis and under the historical cost convention. The managements evaluate all recently issued or revised accounting standards on a going-concern basis.

The Accounting policies adopted in the preparation of financial statements are consistent with those of pervious year, except for the change in accounting policy explained below.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**i) CHANGE IN ACCOUNTING POLICY****PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS**

During the year ended 31st March 2017, the Schedule III notified under the Companies Act, 2013, has become applicable to the company for the preparation and presentation of its Financial Statements. The adoption of revised Schedule III does not impact recognition and measurement principles followed for preparation of Financial Statements. However it has significant impact on the presentation and disclosures made in Financial Statements.

The company has also reclassified the previous year figures in accordance with requirement as applicable in the current year.

ii) USE OF ESTIMATES

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balance of Assets and Liabilities and disclosures related to the contingent liabilities as at the date of financial statements and reported accounts of revenues and expenses during the period. Actual results could differ from those estimates. Any revision of accounting estimates is recognized in accordance with the requirement of the respective accounting standard.

iii) TANGIBLE ASSETS AND DEPRECIATION

The company has neither acquired any asset nor having any Fixed Assets as on the date of Balance sheet

iv) INVESTMENT

Investments are valued at cost.

v) REVENUE RECOGNITION

Revenue is recognized on mercantile basis to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

vi) TAX EXPENSES

Tax expense comprises of current tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961 enacted in India. The tax rates and tax laws used to compute the amount are those as enacted, at operating date.

Deferred Taxation is provided using the liability method in respect of the taxation effect arising from all material timing difference between the accounting and tax treatment for Income and Expenditure, which are expected with reasonable probability to crystallize in the foreseeable future.

Deferred Tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonable expected to be realizable in the near future.

Deferred Tax Assets and liabilities are measured at tax rates that have been enacted or substantively enacted by the balance sheet date.

vii) EVENTS OCCURRING AFTER BALANCE SHEET DATE:-

No significant events which could affect the financial position as on 31-03-2017 to a material extent have been reported by the assessee, after the balance sheet date till the signing of report.

viii) PRIOR PERIOD AND EXTRAORDINARY ITEMS:-

There are no material changes or credits which arise in the current period, on accounts of errors and omission in the preparation of the financial statements for the one or more prior periods.

ix) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the year

x) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

PROVISIONS

A provision is recognized when an enterprise has a present obligation as a result of past event. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

CONTINGENT LIABILITIES

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow or resources is remote, no provision or disclosure is made.

CONTINGENT ASSETS

Contingent Assets are neither recognized nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

16. AUDITOR'S REMUNERATION

Particulars	(In ₹)	
	2016-17	2015-16
Auditors' Remuneration		
Statutory Audit Fee	25,000	25,000
In other capacity	-	-
TOTAL	25,000	25,000

17. EARNING PER SHARE

Basic earnings per share are calculated in accordance with the provisions of Accounting Standard-20 "Earnings per Share" are given hereunder:

PARTICULARS	2016-17	2015-16
Net Profit after Tax attributable to Equity Shareholders (₹)	256784	56929
Weighted Average number of Equity Shares	31,00,700	31,00,700
Basic Earnings per Share (Face Value ₹ 10) (₹)	0.0828	0.0184

18. RELATED PARTY DISCLOSURE
I. NAMES OF RELATED PARTIES:

- The company is Holding of YDS Securities Pvt. Ltd.
- Key Management Personnel:

Name	Designation
Mr. Bimal Aggarwal	Director
Mr. Ramesh Kumar	Director
Mrs. Rachna Agarwal	Director

- Segment information for the year ended 31st March, 2017 as per accounting standard issued by the institute of Chartered Accountants of India is as under. Previous year's figures are indicated in brackets.

	Rs. In Lacs			
Segment reporting	Sale	Loan	Unallocable	Total
Segment Revenue [External]	0 (0)	0 (0)	50.61 (25.79)	50.61 (25.79)
Segment Revenue [Internal]	-	-	-	-
Total Revenue	0 (0)	0 (0)	50.61 (25.79)	50.61 (25.79)
Segment Result [Profit/Loss before Depreciation, Amortization, Interest, Tax and Unallocable, Overheads, Financial Charges]	0 (0)	0 (0)	3.70 (0.89)	3.70 (0.89)
Less: Depreciation and Amortization	0 (0)	0 (0)	0 (0)	0 (0)
Less: Interest and Financial charges	0 (0)	0 (0)	0.03 (0.03)	0.03 (0.03)
Profit/Loss before taxation	0 (0)	0 (0)	3.67 (0.84)	3.67 (0.84)
Provision for taxation (Current)	0 (0)	0 (0)	1.10 (0.27)	1.10 (0.27)
Provision for Taxation (Deferred)	0 (0)	0 (0)	0 (0)	0 (0)
Net Profit after Tax	0 (0)	0 (0)	2.57 (0.57)	2.57 (0.57)

Assets used in the company's business or liabilities contracted have not been identified to any of the reportable segment as all the assets and services are used interchangeably between segments. The company believes that it is currently not practicable to provide segment disclosure relating to total assets and liabilities since a meaningful segregation of available data is onerous.

20. In the opinion of the directors, current assets and advances have a value on realization in the ordinary course of the business at least equal to the amount at which these have been stated in the Balance Sheet.
21. Balances of Sundry Creditors/Debtors are subject to confirmation/reconciliation, which in the opinion of the management is not significant, adjustments, if any will be carried out as and when settled. However accounts have been reconciled on the basis of materiality.
22. The company is a small and medium sized company as defined in the General Instruction in respect of accounting standards as specified under section 133 of the companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
23. There is no contingent liability as Certified by the management of the company.
24. All the known liabilities have been provided for and there are no disputed liabilities as confirmed by the management of the company.
25. Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	94,133.00	0	94,133.00
(+) Permitted receipts	0	0	0
(-) Permitted payments	0	0	0
(-) Amount deposited in Banks	0	0	0
Closing cash in hand as on 30.12.2016	94,133.00	0	94133.00

In terms of our attached report of even date

SANJAY K SINGHAL & Co.
Chartered Accountants
FRN : 024807N

(Sanjay Kumar Singhal)
Partner
M.NO. :503475

Place: New Delhi
Dated: 25.05.2017

For and on behalf of

F Mec International Financial Services Limited

(Bimal Aggarwal)
Director
Din: 00361883

(RACHNA AGARWAL)
Director
Din: 02604852

CONSOLIDATED FINANCIAL STATEMENTS

Independent Auditor's Report

To the Members of

F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED

Report on the Financial Statements

We have audited the accompanying statement of Consolidated financial results ("the Statement") of **F Mec International Financial Services Limited ("the Holding Company) and YDS Securities Private Limited ("the subsidiary Company") together referred as "the Group" for the year ended on 31st March, 2017**, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for (consolidated) the 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 (consolidated) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 (consolidated) 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 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 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 (consolidated) financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (consolidated) 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, 2017, and its Profit/Loss and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report 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 purpose 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 and the Cash Flow Statement dealt with by this Report are in agreement with the books of account
 - d. in our opinion, the aforesaid (consolidated) financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 B".
 - 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. [Refer point no. 25 of the notes to accounts]

FOR SANJAY K SINGHAL & CO

Chartered Accountants

FRN : 024807N

(SANJAY KUMAR SINGHAL)

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 25/05/2017

"Annexure A" to the Independent Auditors' Report

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- 1) The Company has neither acquired nor having any fixed assets for the year ended 31.03.2017
- 2) (i) The company has a inventory of shares only.

(ii) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- 3) 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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the company has obtained registration, Reg. No. 14.01129

FOR SANJAY K SINGHAL & CO.

Chartered Accountants

FRN : 024807N

(SANJAY KUMAR SINGHAL)

(PARTNER)

M.NO. : 503475

Place: : New Delhi

Date : 25/05/2017

“Annexure B” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED the Internal Financial Controls under Clause (j) 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 F MEC INTERNATIONAL FINANCIAL SERVICES LIMITED as of March 31, 2017 in conjunction with our audit of the consolidated 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 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.

Auditors’ 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 on Audit of Internal Financial Controls Over Financial Reporting (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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 authorisations 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 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, 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, 2017, 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 SANJAY K SINGHAL & CO

Chartered Accountants

FRN : 024807N

(SANJAY KUMAR SINGHAL)

(PARTNER)

M.NO. : 503475

Place : Delhi

Date : 25/05/2017

CONSOLIDATED BALANCE SHEET AS ON 31ST MARCH 2017

	Note No.	Figures for the current reporting period 31.03.2017	Figures for the previous reporting period 31.03.2016
I			
1			
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	3	31,007,000	31,007,000
(b) Reserves and Surplus	4	(1,139,409)	(1,350,019)
(c) Money received against share warrants			
Minority Interest		29,867,591	29,656,981
(2) Share application money pending allotment		2,658,200	2,658,200
(3) Non-Current Liabilities			
(a) Long-term borrowings	5	100,000	1,000,000
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables		-	-
(c) Other current liabilities	6	791,686	698,747
(d) Short-term provisions	7	110,352	27,507
		902,038	726,254
TOTAL		33,527,829	34,041,435
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	7	5,152,500	5,152,500
(c) Deferred tax assets (net)	8	204,428	204,428
(d) Long term loans and advances	9	24,051,720	25,283,775
(e) Other non-current assets			
		29,408,648	30,640,703
(2) Current assets			
(a) Current Investments		-	-
(b) Inventories	10	1,985	1,985
(c) Trade receivables		-	-
(d) Cash and cash equivalents	11	971,641	312,310
(e) Short-term loans and advances	12	2,841,200	2,841,200
(f) Other current assets	13	304,355	245,237
		4,119,181	3,400,732
TOTAL		33,527,829	34,041,435

In terms of our attached report of even date
SANJAY K SINGHAL & Co.
Chartered Accountants
FRN : 024807N

(Sanjay Kumar Singhal)
Partner
M.NO. :503475

For and on behalf of

F Mec International Financial Services Limited

(Bimal Aggarwal)
Director
Din: 00361883

(RACHNA AGARWAL)
Director
Din: 02604852

Place: New Delhi
Dated: 25.05.2017

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2017

	Note No.	Figures for the current reporting period 31.03.2017	Figures for the previous reporting period 31.03.2016
I. Revenue from operations	14	5,060,680	2,554,180
II. Other Income		707	25,200
III. Total Revenue (I +II)		5,061,387	2,579,380
IV. Expenses:			
Cost of materials consumed		-	-
Purchase of Stock-in-Trade			
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		-	-
Employee benefit expense		816,667	796,000
Financial costs	15	1,073	508
Depreciation and amortization expense		-	-
Other expenses	16	3,922,686	1,729,949
Total Expenses		4,740,426	2,526,457
V. Profit before exceptional and extraordinary items and tax (III - IV)		320,961	52,923
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		320,961	52,923
VIII. Extraordinary Items		-	-
IX. Profit after extraordinary items and before tax (VII - VIII)		320,961	52,923
X. Tax expense:			
(1) Current tax	17	110,352	27,507
(2) Deferred tax		-	-
XI. Profit(Loss) for the period from continuing operations		210,609	25,416
XII. Profit/(loss) from discontinuing operations		-	-
XIII. Tax expense of discontinuing operations		-	-
Prior Period MAT W/off		-	-
Prior Period Deferred Tax Adjustment		-	-
XIV. Profit(Loss) for the period		210,609	25,416
XV. Earning per equity share:			
(1) Basic		0.0679	0.0082
(2) Diluted		-	-

In terms of our attached report of even date

For and on behalf of

SANJAY K SINGHAL & Co.
 Chartered Accountants
 FRN : 024807N

F Mec International Financial Services Limited

(Sanjay Kumar Singhal)
 Partner
 M.NO. :503475

(Bimal Aggarwal)
 Director
 Din: 00361883

(RACHNA AGARWAL)
 Director
 Din: 02604852

Place: New Delhi
 Dated: 25.05.2017

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

	For the year ended March 31, 2017	For the year ended March 31, 2016
A. Cash Flow from Operating Activities		
Net profit before tax and extraordinary items	320,961	52,923
Adjustment for:		
interest	-	-
Provision for income tax	82,845	
MAT Credit Entitlement	-	-
Operating profit before working capital changes	403,806	52,923
Adjustment for:		
loans and advances	-	-
Trade Payable	-	-
Other current liabilities and provisions	92,939	461,297
Trade receivables	-	-
Other current assets	(59,118)	(243,619)
Cash generated from operations	437,628	270,601
Interest paid	-	-
Tax paid	-	-
Income Tax Adjustment	(110,352)	(27,507)
NET CASH FROM OPERATING ACTIVITIES (A)	327,276	243,094
CASH FLOW FROM INVESTING ACTIVITIES		
Capital advance	-	-
Purchase of Investment	-	-
Purchase of fixed assets	-	-
Long Term Loan Advances	1,232,055	(2,326,043)
Non-current investments	-	900,000
NET CASH USED IN INVESTING ACTIVITIES (B)	1,232,055	(1,426,043)
CASH FLOW FROM FINANCE ACTIVITIES		
(Decrease)/increase in equity share capital	-	-
(Decrease)/increase in Securities premium	-	-
(Decrease)/increase in Preference shares	-	-
(Decrease)/increase in long term borrowings	(900,000)	1,000,000
(Decrease)/increase in Short term borrowings	-	-
(C)	(900,000)	1,000,000
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	659,331	(182,949)
Cash and cash equivalents opening balance	312,310	495,259
Cash and cash equivalents closing balance	971,641	312,310

In terms of our attached report of even date

For and on behalf of

SANJAY K SINGHAL & Co.
Chartered Accountants
FRN : 024807N

F Mec International Financial Services Limited

(Sanjay Kumar Singhal)
Partner
M.NO. :503475

(Bimal Aggarwal)
Director
Din: 00361883

(RACHNA AGARWAL)
Director
Din: 02604852

Place: New Delhi
Dated: 25.05.2017

CONSOLIDATED NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST MARCH 2017

Note No.	Particulars	Figures for the current reporting period 31/03/17	Figures for the previous reporting period 31/03/16
3	Share Capital		
	Authorised		
	3500000(3500000) Equity Shares of ₹ 10/- Par Value	35,000,000	35,000,000
		35,000,000	35,000,000
	Issued		
	3100700(3100700) Equity Shares of ₹ 10/- Par Value	31,007,000	31,007,000
		31,007,000	31,007,000
	Subscribed		
	3100700(3100700) Equity Shares of ₹ 10/- Par Value	31,007,000	31,007,000
		31,007,000	31,007,000
	Paidup		
	3100700(3100700) Equity Shares of ₹ 10/- Par Value fully paidup	31,007,000	31,007,000
		31,007,000	31,007,000

3.1 Detail of shareholding more than 5% of the shareholding

Particular	31/03/2017	% Held	31/03/2016	% Held
Shweta Singh	-	-	180,875	5.83%
Suresh Pal Singh	-	-	179,450	5.79%
Sunita Singh	-	-	170,050	5.48%

3.2 Reconciliation of shares outstanding at the beginning and at the end of the reporting date

Particular	31/03/2017		31/03/2016	
	No. of Shares	Amount	No. of Shares	Amount
Number of Shares at the beginning	3,100,700	31,007,000	3,100,700	31,007,000
Add: Issue	-	-	-	-
Less: Bought Back	-	-	-	-
Add: Other	-	-	-	-
Number of Shares at the end	3,100,700	31,007,000	3,100,700	31,007,000

4	Reserve and Surplus	31/03/2017	31/03/2016
	Surplus		
	Balance B/f	(2,273,519)	(2,298,031)
	Amount Transferred From Statement of P&L	210,609	24,512
	Amount Transferred from Sundries		
		(2,062,909)	(2,273,519)
	Share Premium Account	923,500	923,500
		(1,139,409)	(1,350,019)
	Total	(1,139,409)	(1,350,019)
5.	Long Term Borrowings	31/03/2017	31/03/2016
	Loan and Advances From Subsidiary Company & Other Parties		
	Unsecured Loans:-		
	Freight Carries Pvt. Ltd	-	250,000
	Vishnupriya Finance & Leasing Limited	-	550,000
	Other	100,000	100,000
	Rohit Agrawal	-	100,000
		100,000	1,000,000
6.	Other Current Liabilities	31/03/2017	31/03/2016
	Expenses Payables		
	Tds Payable	11,188	16,723
	Professional Fees Payable	289,685	6,339
	Audit Fees Payable	78,750	47,500
	Expenses Payable	412,063	628,185
		791,686	698,747

7. Non Current Investments	31/03/2017	31/03/2016
Investments		
Unquoted		
Texas Engineers Pvt. Ltd.	100,000	1,000,000
Investments (Quoted)		
Equity Shares		
Sky Line India Ltd.	222,500	222,500
Capfin India Ltd.	1,000,000	1,000,000
Investments (Unquoted)		
Sonia Finvest Pvt. Ltd.	2,100,000	2,100,000
Genius Finvest Pvt. Ltd.	1,730,000	1,730,000
	5,152,500	6,052,500
8. Deferred Tax Assets/ (Liability)	31/03/2017	31/03/2016
Deferred Tax Assets	204,428	204,428
	204,428	204,428
9. Long-term loans and advances	31/03/2017	31/03/2016
Long Term Loans and Advances to be recoverable in cash or in kind		
Unsecured Considered good		
Blossom E Solutions Pvt. Ltd.	6,257,460	6,257,460
Logisys Ind. Pvt. Ltd.	4,500,000	5,920,020
Suresh Pal Singh	3,500,000	4,939,648
Sunita Singh	-	107,587
Sweta Singh	1,160,000	1,325,000
Deccan Plateau Project LLP	218,660	3,069,260
Charanjeet Bawa	2,000,000	2,000,000
IT Serve Global	1,569,900	-
Karo Coils Pvt. Ltd.	3,116,100	-
AS BUILDPRO PVT LTD	1,729,600	1,664,800
	24,051,720	25,283,775
10. Inventories	31/03/2017	31/03/2016
Other Closing Stock	1,985	1,985
	1,985	1,985

11. Cash and cash equivalents	31/03/2017	31/03/2016
Cash in Hand	478,289	265,649
Balance With Banks		
Current Account		
UNION BANK OF INDIA	493,352	46,661
	971,641	312,310
12. Short-term loans and advances	31/03/2017	31/03/2016
Unsecured Advances to related Parties		
Unsecured Considered good		
Texas Engineers Pvt. Ltd.		-
Advance for Shares / other advance	2,841,200	2,841,200
	2,841,200	2,841,200
13. Other Current Assets	31/03/2017	31/03/2016
Commission Receivable		
TDSAY 2014-15	1,318	1,318
TDSAY 2016-17	-	41,280
TDSAY 2017-18	274,078	-
Service Tax Input	27,960	197,639
KKC Input	999	-
Advance tax	-	5,000
	304,355	245,237
14. Revenue from operations	31/03/2017	31/03/2016
Income from Services		
Consultancy & Commission Income	4,500,000	-
Interest Income	560,680	2,554,180
	5,060,680	2,554,180
15. Finance costs	31/03/2016	31/03/2015
Bank Charges	1073	508
	1073	508

16. Other Expenses	31/03/2017	31/03/2016
Auditor Remuneration	50,000	50,000
Listing Fees	206,900	1,340,840
Professional Fee	197,706	176,380
Annual Custody Fee	15,000	-
Bad Debts	3,132,255	-
Diwali Bonus	28,000	-
Membership Fees	56,250	-
Office Expenses	55,780	-
Other Expenses	5,450	-
Repair & Maintenance	6,540	-
Share Transfer Exp.	1,200	-
Travelling Exp.	23,550	-
Advertisement Expenses	42,000	70,400
Roc Fees	3,069	2,456
Meeting Fee	-	23,500
Conveyance Charges	1,587	5,197
Courier Expenses	560	3,708
Interest On TDS	2,306	4,584
Notarizing Expenses	-	404
Photo Copy Expenses	1,080	1,615
Printing & Stationary	15,200	5,560
Rent	48,000	20,000
Swachh Bharat Cess Tax	2,372	1,500
Telephone & Internet Expenses	23,881	15,305
Website Designing Expenses	4,000	8,500
	3,922,686	1,729,949
17. Tax Expenses	31/03/2017	31/03/2016
Deferred Tax	-	-
Provision For Tax-Mat	110,352	27,507
	110,352	27,507

CALCULATION OF MINORITY INTEREST

TOTAL NO. SHARES OF YDS 1,092,350.00 1,092,350.00

MINORITY INTEREST
ON ACCOUNT OF PAID UP CAPITAL

	31/03/2017	% Held	31/03/2016	% Held
OTHER SHAREHOLDERS	50,820	4.65%	50,820	4.65%
Mrs. Rachna Aggarwal	107500	9.84%	107500	9.84%
Mrs. Sangeeta Aggarwal	107500	9.84%	107500	9.84%
	265,820	24.33%	265,820	19.68%
Face Value	10		10	
	2,658,200		2,658,200	

SUBSIDIARY'S PROFIT
MI'S SHARE IN CURRENT YEAR'S PROFIT

I	ON ACCOUNT OF PROFIT FOR THE CURRENT YEAR				
	CURRENT YEAR PROFIT	210,609	51,251	24,512	4,825
	MI'S SHARE IN CURRENT YEAR PROFIT				
II	ON ACCOUNT OF OPENING PROFIT & LOSS A/C	(2,273,519)	(553,254)	(2,298,031)	(452,306)
III	ON ACCOUNT OF SHARE PREMIUM	923,500	224,731	923,500	181,766
		(1,139,409)	(277,272)	(1,350,019)	(265,715)

**CONSOLIDATED NOTES FORMING INTEGRAL PART OF THE
ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017****1. CORPORATE INFORMATION**

F MEC International Financial Services Limited (the company) is a Limited company domiciled in India and incorporated under provision of Companies Act, 1956 as on 7th June 1993 and is Holding of YDS Securities Private Limited. The company is engaged in the business of Financing and providing Consultancy.

2. BASIS OF PREPARATION OF ACCOUNTS

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as specified under section 133 of the companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Financial Statements has been prepared on the accrual basis and under the historical cost convention. The managements evaluate all recently issued or revised accounting standards on a going-concern basis.

The Accounting policies adopted in the preparation of financial statements are consistent with those of pervious year, except for the change in accounting policy explained below.

2.1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**i) CHANGE IN ACCOUNTING POLICY****PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS**

During the year ended 31st March 2017, the Schedule III notified under the Companies Act, 2013, has become applicable to the company for the preparation and presentation of its Financial Statements. The adoption of revised Schedule III does not impact recognition and measurement principles followed for preparation of Financial Statements. However it has significant impact on the presentation and disclosures made in Financial Statements.

The company has also reclassified the previous year figures in accordance with requirement as applicable in the current year.

ii) USE OF ESTIMATES

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balance of Assets and Liabilities and disclosures related to the contingent liabilities as at the date of financial statements and reported accounts of revenues and expenses during the period. Actual results could differ from those estimates. Any revision of accounting estimates is recognized in accordance with the requirement of the respective accounting standard.

iii) TANGIBLE ASSETS AND DEPRECIATION

The company has neither acquired any asset nor having any Fixed Assets as on the date of Balance sheet

iv) INVESTMENT

Investments are valued at cost.

v) REVENUE RECOGNITION

Revenue is recognized on mercantile basis to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured.

vi) TAX EXPENSES

Tax expense comprises of current tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act 1961 enacted in India. The tax rates and tax laws used to compute the amount are those as enacted, at operating date.

Deferred Taxation is provided using the liability method in respect of the taxation effect arising from all material timing difference between the accounting and tax treatment for Income and Expenditure, which are expected with reasonable probability to crystallize in the foreseeable future.

Deferred Tax benefits are recognized in the financial statements only to the extent of any deferred tax liability or when such benefits are reasonable expected to be realizable in the near future.

Deferred Tax Assets and liabilities are measured at tax rates that have been enacted or substantively enacted by the balance sheet date.

vii) EVENTS OCCURRING AFTER BALANCE SHEET DATE:-

No significant events which could affect the financial position as on 31-03-2017 to a material extent have been reported by the assessee, after the balance sheet date till the signing of report.

viii) PRIOR PERIOD AND EXTRAORDINARY ITEMS:-

There are no material changes or credits which arise in the current period, on accounts of errors and omission in the preparation of the financial statements for the one or more prior periods.

ix) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity share outstanding during the year

x) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

PROVISIONS

A provision is recognized when an enterprise has a present obligation as a result of past event. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

CONTINGENT LIABILITIES

A contingent liability is disclosed where, as a result of past events, there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow or resources is remote, no provision or disclosure is made.

CONTINGENT ASSETS

Contingent Assets are neither recognized nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

18. AUDITOR'S REMUNERATION

(IN RS.)

Particulars	2016-17	2015-16
Auditors' Remuneration		
Statutory Audit Fee	50,000	50,000
In other capacity	-	-
TOTAL	50,000	50,000

19. EARNING PER SHARE

Basic earnings per share are calculated in accordance with the provisions of Accounting Standard-20 "Earnings per Share" are given hereunder:

PARTICULARS	2016-17	2015-16
Net Profit after Tax attributable to Equity Shareholders (Rs.)	2,10,609.00	25,416.37
Weighted Average number of Equity Shares	31,00,700	31,00,700
Basic Earnings per Share (Face Value Rs. 10) (Rs.)	0.0679	0.0082

20. In the opinion of the directors, current assets and advances have a value on realization in the ordinary course of the business at least equal to the amount at which these have been stated in the Balance Sheet.
21. Balances of Sundry Creditors/Debtors are subject to confirmation/ reconciliation, which in the opinion of the management is not significant, adjustments, if any will be carried out as and when settled. However accounts have been reconciled on the basis of materiality.
22. The company is a small and medium sized company as defined in the General Instruction in respect of Accounting Standard notified under the Companies Act, 1956. Accordingly, the Company has complied with the Accounting Standard as applicable to small and Medium Sized Company.
23. There is no contingent liability as Certified by the management of the company.
24. All the known liabilities have been provided for and there are no disputed liabilities as confirmed by the management of the company.
25. Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	3,49,249.00	0	3,49,249.00
(+) Permitted receipts	0	0	0
(-) Permitted payments	0	0	0
(-) Amount deposited in Banks	0	0	0
Closing cash in hand as on 30.12.2016	3,49,249.00	0	3,49,249.00

In terms of our attached report of even date

SANJAY K SINGHAL & Co.
Chartered Accountants
FRN : 024807N

(Sanjay Kumar Singhal)
Partner
M.NO. :503475

Place: New Delhi
Dated: 25.05.2017

For and on behalf of

F Mec International Financial Services Limited

(Bimal Aggarwal)
Director
Din: 00361883

(RACHNA AGARWAL)
Director
Din: 02604852

ROUTE MAP FOR AGM

